

THE GLOBAL NEWSPAPER
Printed Simultaneously in:
Paris, London, Zurich,
Hong Kong and Singapore

Herald Tribune

Published With The New York Times and The Washington Post

Algeria	6.00	Din.	Israel	1.50	Sh.	Italy	5.50	Lira	
Argentina	17.50	P.	Japan	100	Yen	Denmark	0.70	Kr.	
Australia	0.45	A.	Kenya	100	Sh.	France	6.50	F.	
Belgium	33.75	B.	Lebanon	1,500	L.	Germany	3.00	M.	
Canada	0.75	C.	Libya	1,000	D.	Greece	200	D.	
Ceylon	100	R.	Madagascar	200	A.	Hong Kong	100	H.	
Denmark	0.70	Kr.	Mali	200	F.	India	100	R.	
Egypt	100	P.	Morocco	200	M.	Indonesia	1,000	R.	
Finland	5.50	F.	Nepal	100	N.	Iran	100	R.	
France	6.50	F.	Nigeria	100	N.	Israel	1.50	Sh.	
Germany	3.00	M.	Pakistan	100	P.	Italy	5.50	Lira	
Greece	200	D.	Peru	100	S.	Japan	100	Yen	
Hong Kong	100	H.	Portugal	200	P.	Kenya	100	Sh.	
India	100	R.	Romania	100	R.	Lebanon	1,500	L.	
Indonesia	1,000	R.	Saudi Arabia	100	S.	Libya	1,000	D.	
Iran	100	R.	Senegal	100	S.	Madagascar	200	A.	
Israel	1.50	Sh.	Sierra Leone	100	S.	Mali	200	F.	
Italy	5.50	Lira	Singapore	100	S.	Morocco	200	M.	
Japan	100	Yen	Sri Lanka	100	S.	Nepal	100	N.	
Kenya	100	Sh.	Taiwan	100	T.	Nigeria	100	N.	
Lebanon	1,500	L.	Thailand	100	T.	Pakistan	100	P.	
Libya	1,000	D.	Turkey	100	T.	Peru	100	S.	
Madagascar	200	A.	U.A.R.	100	E.	Portugal	200	P.	
Mali	200	F.	Uganda	100	U.	Romania	100	R.	
Morocco	200	M.	U.S.A.	1.00	D.	Saudi Arabia	100	S.	
Nepal	100	N.	U.K.	1.00	S.	Senegal	100	S.	
Nigeria	100	N.	Yugoslavia	100	Y.	Sierra Leone	100	S.	
Pakistan	100	P.				Singapore	100	S.	
Peru	100	S.				Sri Lanka	100	S.	
Portugal	200	P.				Taiwan	100	T.	
Romania	100	R.				Thailand	100	T.	
Saudi Arabia	100	S.				Turkey	100	T.	
Senegal	100	S.				U.A.R.	100	E.	
Sierra Leone	100	S.				Uganda	100	U.	
Singapore	100	S.				U.S.A.	1.00	D.	
Sri Lanka	100	S.				U.K.	1.00	S.	
Taiwan	100	T.				Yugoslavia	100	Y.	
Thailand	100	T.							
Turkey	100	T.							
U.A.R.	100	E.							
Uganda	100	U.							
U.S.A.	1.00	D.							
U.K.	1.00	S.							
Yugoslavia	100	Y.							

No. 31,070

PARIS, THURSDAY, JANUARY 13, 1983

ESTABLISHED 1887

Poland Expelling U.S. Reporter on Spy-Photos Charge

By John Kufner
New York Times Service

WARSAW — The Polish authorities ordered Wednesday the expulsion of Ruth E. Gruber, the Warsaw correspondent for United Press International, after holding her for 23 hours at the city's central police station.

The affair centered on a packet on a train from Gdansk, which the police said contained two illegal rolls of pictures of military installations.

An official communiqué read on Polish television said that the security services at the Interior Ministry had obtained a report that "secret documents" were being sent to Miss Gruber.

The military prosecutors began a criminal investigation, the announcement said, but decided to abstain from "prosecuting" Ruth Gruber for espionage, realizing she had no criminal intent.

"Of course, these are all lies," Miss Gruber, 33, said Wednesday night. She said she had no idea what had been in the packets on the train and had never engaged in any activity that could be considered espionage.

Miss Gruber's expulsion came against a background of increasingly strained relations between the authorities and the foreign press corps based in Warsaw.

The animosity has included sharp exchanges between journalists and Jerry Urban, the government spokesman; attacks on Western reporters in the official press; the government's refusal to extend work permits for several Polish employees of Western news agencies; and the publication of a government pamphlet criticizing the work of reporters as "rubbish."

On Friday, the British Broadcasting Corp. correspondent, Kevin Ruane, left Poland after the authorities ordered the BBC operation closed down in retaliation for a television film, "Two Weeks in Winter," which mixed documentary footage and dramatization of the military takeover in December 1981.

"Ruth Gruber, as a result of abusing the privileges of a foreign correspondent, will have to leave Poland," an announcer said in the final item on the state television news Wednesday night.

Miss Gruber, who had been released about two hours earlier, said she had only been held officially to report to the Foreign Ministry on Thursday morning.

The episode began with a telephone call to the UPI office Tuesday morning. The office secretary, Anna Olszewska, took the call from a man asking that a packet of film from a Gdansk photographer be picked up from a train arriving from Gdansk about 10 A.M. After checking with Miss Gruber, Mrs. Olszewska went to meet the train.

When she did not return, Miss Gruber made several telephone calls in an attempt to locate her. She also called the photographer in Gdansk, who usually works for UPI, who said he had no film and had not called the office.

At 6:30 P.M., two policemen appeared at building housing the foreign wire services and asked Miss Gruber to accompany them to police headquarters as a "witness" in a pending case.

There, she said Bogdan Turak, a Polish correspondent for the wire service, were interrogated. After his release late Tuesday, Mr. Turak said he had been questioned about Miss Gruber's work and told that she had violated the rules for journalists.

Mrs. Olszewska, it turned out, had been in police custody. She was still being held Wednesday night, but her husband said he had seen a form at the police station, dated Thursday, authorizing her release.



Ruth Gruber

Rostow Resigns Disarmament Post At Reagan Request

The Associated Press

WASHINGTON — Eugene V. Rostow, the director of the U.S. Arms Control and Disarmament Agency and the man in charge of nuclear arms negotiations with the Soviet Union, resigned Wednesday at the request of President Ronald Reagan.

Mr. Rostow, 69, had been assailed by a number of conservative Republican senators, who last week forced the removal of his deputy, Robert T. Gray Jr. Mr. Rostow responded by accusing them of trying to take over the agency.

Mr. Rostow was the third high-ranking administration official to resign in two weeks. Drew L. Lewis, the secretary of transportation, quit after Christmas, and Richard S. Schweiker resigned as secretary of health and human services on Tuesday, (Page 3).

"It has been a privilege to serve as director of ACDA for the last 20 months," Mr. Rostow said Wednesday. "In recent days it has become clear that the president wished to make changes. In response to his request, I have tendered my resignation."

After Mr. Gray's confirmation was blocked, Mr. Rostow denied a week ago that he would follow his colleague out of office.

But he said he was concerned that the dispute could hurt the U.S.-Soviet arms negotiations due to resume next month in Geneva.

Charging that Mr. Gray was ambushed, Mr. Rostow said that "people who don't want any agreement at all" were trying to take over the arms control agency.

"The Soviets can try to exploit the doubts, and they get very anxious at the thought that any extremist American group might take charge of American nuclear policy," he said.

Mr. Rostow said he was trying to steer a course between those who might want an agreement at any cost and those who want none at all.

A conservative Democrat, Mr. Rostow was frequently critical of the Soviet Union in his public statements, accusing them of trying to gain nuclear superiority over the United States.

At the same time, he strongly supported President Reagan's proposals for sharp reductions in U.S. and Soviet strategic nuclear weapons, submarines and missiles and to eliminate medium-range missiles from Europe.

Last month, when Moscow made public an offer for a smaller reduction in nuclear weapons, Mr. Rostow dismissed the proposal as "profoundly disappointing" and said the Soviet leadership "seems still to be committed to the goal of parity with us, built on Soviet nuclear supremacy and Western neutrality."

However, since taking over the agency two years ago, Mr. Rostow has been viewed skeptically by Senator Jesse Helms, a North Carolina Republican, and other hard-line conservatives, who concentrated their fire on Mr. Gray and Norman Terrell, another Rostow deputy.

Bowing to pressure, the administration transferred Mr. Terrell to the nation's space agency and, finally, gave up on trying to win Senate approval for Mr. Gray, who had held his job since March without confirmation.

The conservatives claimed that there was insufficient change under Mr. Rostow from the policies from previous administrations, which produced strategic arms limitation treaties in 1972 and 1979. The latter was never ratified by the Senate and was downgraded by President Reagan even though the administration has pledged to abide by its terms so long as the Soviet Union does the same.



Japanese farmers marched Wednesday past the U.S. Embassy in Tokyo.

10,000 Japanese Farmers Protest U.S. Attempt to Lift Import Quotas

By Henry Scott Stokes
New York Times Service

TOKYO — About 10,000 farmers from throughout Japan marched past the U.S. Embassy in Tokyo on Wednesday to protest U.S. trade pressures. It was one of the largest such demonstrations here in years.

"Down with America!" the farmers chanted.

On Tuesday, 19 of their leaders presented Prime Minister Yasuhiro Nakasone with a petition signed by 9,070,275 Japanese urging the government to reject a U.S. request for removal of import quotas on 22 farm and fishery items, mainly beef and citrus.

Mr. Nakasone leaves for Washington next week for talks with President Ronald Reagan. The discussions are likely to center on Japan's record trade surplus of more than \$18 billion in 1982 and U.S. demands for an open market.

The financial daily Nihon Keizai Shimbun reported that Mr. Reagan Prime Minister Nakasone rejects any Japanese military role on the Korean peninsula. Page 2.

and other administration officials would press for more opportunities for U.S. beef and citrus farmers, aiming to reduce a Japanese trade surplus that jumped from \$9.9 billion in 1980.

"Our policy is no surrender to U.S. demands," said Shizuma Iwamochi, president of Zenchu, a federation of 9,700 farm cooperatives.

Mr. Iwamochi addressed the 10,000 farm leaders in a martial arts hall in Tokyo. He stood between two posters each 15 feet high (4.55 meters) depicting Mr. Reagan dressed in a blue Superman suit swooping down from space and bombing Japan with a hail of beef cattle and oranges.

"Don't sacrifice Japanese farmers," read a sign in English above the hall.

Thick books containing the nine million signatures against liberalization were piled at the front of the hall. One of these was presented to Mr. Nakasone in a televised news program Tuesday.

Mr. Nakasone is also under pressure from consumer groups. "Consumers must tolerate moderate price increases if this will encourage domestic food production and thereby raise the nation's overall self-sufficiency in food," said a Zenchu leaflet printed in English.

Japan, the world's largest importer of agricultural and fishery products, buys one-third of its imported food from the United States. Zenchu said Japan was the best U.S. customer for beef and citrus imports under quota.

Japanese farmers fear that their government is preparing to sacrifice them under U.S. pressure.

Last week the U.S. ambassador, Mike Mansfield, met with Ichiro Nakagawa, then in charge of farm liberalization for the governing Liberal Democratic Party, to ask for beef and citrus liberalization. Mr. Nakagawa died Sunday.

The governing party is crucially dependent on the farm vote at elections. It seems to want to placate Washington but not to antagonize the powerful farm lobby, a decisive voice in Japanese politics.

Spokesmen for the farmers say that total liberalization of food imports would benefit the United States by \$500 million a year.

"The sacrifice would be tremendous for 350,000 Japanese households in beef farming and 202,000 local tangerine producers," said Yoshitada Nakakawa, a Zenchu spokesman. "How much would America benefit with a near \$20-billion deficit on trade to deal with?"

Japan-EC Dispute

Japanese officials meeting with negotiators of the European Community will request a request to cut exports of videotape recorders to Western Europe by 20 percent, United Press International cited trade sources as saying Wednesday in Tokyo.

Sources at the Ministry of International Trade and Industry said, however, that Japan would counter the request with a pledge to restrain the exports.

The EC officials arrived Wednesday for three days of informal talks beginning Thursday on the growing trade imbalance between Japan and the EC.

Podgorny Dies at 79; Soviet Ex-President

The Associated Press

MOSCOW — Nikolai V. Podgorny, 79, the last surviving member of the troika that supplanted Nikita S. Khrushchev nearly two decades ago, has died after a long illness, official sources said Wednesday.

There was no immediate announcement, but an official at the Presidium of the Supreme Soviet, the Soviet parliament, said that Mr. Podgorny once headed as president, said Mr. Podgorny had died Monday night.

In the early stages of his career, Mr. Podgorny developed strong ties with Khrushchev, who was a Ukrainian like himself. He took Khrushchev's former job as first deputy of the Ukrainian in 1957 after Khrushchev became the country's foremost leader.

Mr. Podgorny eventually maneuvered to the side of those opposing Khrushchev and was therefore unhurt by Khrushchev's removal in October 1964.

New York Times Service

In the confusion and instability of the post-Khrushchev period, experts saw a strong likelihood that Mr. Podgorny, known as capable, quiet and steady, would be best prepared to move into the ruling position after the collapse of the team of Leonid I. Brezhnev, the party chief, and Alexei N. Kosygin, the prime minister — a collapse that was inevitable, experts said.

At the end of 1965, Mr. Podgorny, an engineer who had left industry in 1950 for full-time Communist Party politics, was named chief of state — chairman of the Presidium of the Supreme Soviet.

Mr. Podgorny impressed Westerners as a member of a new class



Nikolai V. Podgorny

Salvadoran Army Crisis Over, President Says

The Associated Press

SAN SALVADOR — President Alvaro Alfredo Magaña announced Wednesday that the military crisis in El Salvador was over and that a rebellious army commander, Lieutenant Colonel Sigifredo Ochoa Pérez, had left his post as ordered.

Colonel Ochoa rebelled against the army high command and the defense minister last week. President Magaña said at a news conference that the order for Colonel Ochoa to abandon his post in Cabañas province had been complied with "because Ochoa is no longer in Cabañas," which is 50 miles (80 kilometers) from San Salvador.

The president made the announcement after Colonel Ochoa flew to San Salvador from Sensuntepeque in Cabañas province to visit his wife, who had been injured in an auto accident. There were no immediate details on the accident.

Earlier in the day, Colonel Ochoa had claimed he was wearing an agreement with the high command in his dispute with Defense Minister José Guillermo García.

The resignations of both men would create a "satisfactory solution," to the military crisis, Robert d'Aubuisson, leader of the Constituent Assembly, was quoted as saying Wednesday.

"If both military men left their posts, a satisfactory solution would be found that would be within the armed forces itself," the rightist leader said in an interview in the newspaper El Diario de Hoy. It was his first public comment since Colonel Ochoa's mutiny began last Thursday and came despite a government order limiting information on the rebellion.

A well-placed military source who asked for anonymity said that he expected General García to quit.

Speaking at his headquarters in Sensuntepeque, a northern city near the Honduran border, Colonel Ochoa had shrugged off President Magaña's demand that he end the rebellion and "unconditionally fulfill" General García's order transferring him to a diplomatic post in Uruguay. The order sparked the mutiny.

But Colonel Ochoa said he was willing to resign his commission and leave the country if General García, his longtime political rival, also quit.

Five top officers were appointed by the high command to mediate the crisis, and Colonel Ochoa said his discussions with them Monday had made progress toward a settlement. The officers met with General García and President Magaña on Tuesday.

"I believe the most balanced decision will be taken," Colonel Ochoa said, explaining that a "balanced decision" would be that "both of us leave."

He declined to elaborate or give further details about his talks with the other officers.

Colonel Ochoa is considered one of the best field commanders in El Salvador and appears to have the backing of many residents of Cabañas province, where his 900-man garrison is based. His troops have remained in Cabañas.

The government, meanwhile, kept Colonel Ochoa's telephone lines shut off Wednesday for the third day.

Of the top commanders in the Salvadoran military, only the air force commander and the chief of the First Infantry San Carlos Brigade based in the capital have not made public statements condemning Colonel Ochoa.

Colonel Ochoa is highly popular among El Salvador's predominantly rightist military and civilian establishment. General García has been accused of being a fence-sitter since he served in the civilian-military junta dominated by the centrist Christian Democrats.

The junta was replaced by President Magaña and a right-dominated Constituent Assembly last year.

Bonn Assails SPD on Arms Policy

By James M. Markham
New York Times Service

BONN — Attempting to muffle differences with its coalition partners over the deployment of nuclear weapons, the West German government accused the opposition Social Democratic Party on Wednesday of endangering the Western negotiating posture with the Soviet Union.

At a news conference, Foreign Minister Hans-Dietrich Genscher and Defense Minister Manfred Wörner said the Social Democrats were undermining the Reagan administration's goal of persuading the Soviet Union to dismantle its medium-range weapons targeted on Western Europe.

A government statement accused the Social Democrats of encouraging an outcome of the Geneva talks that would leave the Soviet Union with a monopoly of medium-range weapons, while NATO would be obliged to forgo its nuclear modernization plans.

Mr. Wörner said "it is our duty to remind the politicians" of the views of the Social Democrats and "to point out what a dangerous line they are taking. It is dangerous not only for the Federal Republic but for the entire West."

The highly publicized blast at the Social Democrats occurred as their new leader, Hans-Jochen Vogel, was ending a three-day visit to Moscow, where he was warmly received, and only five days before the Soviet foreign minister, Andrei A. Gromyko, was due in Bonn. It suggests that the missile debate will figure prominently in the developing campaign for the March 6 elections.

In recent days rifts on the nuclear arms question have opened between Chancellor Helmut Kohl's Christian Democrats and Foreign Minister Genscher's Free Democrats, the junior coalition partners.

In an evident effort to attract support from voters anxious about the planned deployment of U.S. cruise and Pershing II missiles later this year, Mr. Genscher has been talking about an "interim result" at Geneva that would fall short of the Reagan administration's so-called "zero option."

Under that plan, NATO would not deploy medium-range weapons if the Soviet Union dismantled its comparable weapons aimed at Western Europe.

On Tuesday, several prominent members of Chancellor Kohl's Christian Democratic Party indirectly rebuked Mr. Genscher for his "interim result" suggestion, and Wednesday's news conference was evidently intended to pull him back into line and demonstrate unity in the government on the issue.

INSIDE

Richard S. Schweiker resigned as President Reagan's secretary of health and human services and was replaced by a former congressman, Margaret M. Heckler. Page 3.

Canada's writs of assistance, a type of all-purpose search warrant that inflamed American colonists to rebellion more than 200 years ago, were suspended as appellate courts considered their constitutional validity. Page 3.

U.S. administration officials say they are counting on King Hussein of Jordan to declare his readiness to join in negotiations on Palestinian self-rule sometime by the end of next month, provided he receives stronger backing than he has received up to now from Saudi Arabia. Page 2.

The United States reported that American companies plan to cut capital spending by 5.2 percent this year. Page 7.

Europe Panel Calls Turkish Democracy Effort Insufficient

By Axel Krause
International Herald Tribune

PARIS — The Political Affairs Committee of the Council of Europe approved a draft resolution Wednesday that sharply criticized as insufficient the efforts of Turkey to restore parliamentary democracy.

It recommended that, until full democracy is restored, the military regime in Ankara voluntarily renounce its voting rights in the Ministerial Committee, the council's executive body.

If the Turkish government were to accept the suggestion it would be excluded from active participation in the council, European and Turkish officials and diplomats said. But these officials rated the chances of Turkish acceptance as virtually nil.

The resolution, containing 23 articles and scheduled to be introduced for debate at the council's Parliamentary Assembly in Strasbourg on Jan. 26, calls on Turkey to end martial law and to guarantee all necessary freedoms to political parties being formed.

It also raises the possibility — but avoids recommending — that Turkey be suspended from the 155-member body of 21 European nations.

"This is an urgent appeal to the Turkish government to restore full democracy," Tom Urwin, chairman of the committee and a British Labor Party member of Parliament, said at a news conference.

He described the recommendation that Turkey abstain from voting in the committee as an "intermediate step" that avoided suspension, adding that the Turkish government could still present its views during the deliberations.

Several members of the assembly said in private that they expected the resolution to trigger heated debate and amendments, but that it probably would be approved by a majority of the Parliamentary Assembly in a vote scheduled for Jan. 27.

The primary function of the Council of Europe is to consult and advise governments and parliaments. It has been particularly active in promoting human rights. Turkey's elected deputies have not participated in the Parliamentary Assembly since the nation's legislatures were dissolved following a bloodless coup Sept. 12, 1980.

Responding to the resolution in a brief statement issued in Ankara, the Turkish foreign minister, Ilter Turkmen, said: "All members of parliament with common sense should try to block it energetically."

To approve the resolution, he said, would reinforce "the hands of those who do not want the re-establishment of a popular democracy in Turkey."

In a separate written statement to the International Herald Tribune, General Kenan Evren, the country's leader who was overwhelmingly elected to a seven-year term as president on Nov. 7, said: "The Turkish nation cannot tolerate any attempt amounting to outright pressure or intervention in its internal affairs."

General Evren, responding to questions submitted just before his election, said that as he had previously announced, "all the necessary steps will be taken expeditiously" for the establishment of "the democratic parliamentary regime," including general elections in the autumn.

Mr. Urwin said that under the constitution, approved by the same referendum on

which General Evren was elected, Turkey appeared to be heading toward "qualified democracy," which was criticized severely in 17 of the articles in the resolution.

The resolution specifically "regretted" the total lack of free debate during the referendum campaign and that the constitution contained "risks and insufficiencies," including new powers of the president, Mr. Urwin said. It also stated that three independent legal experts had raised "reservations" after thoroughly studying the constitution, he said.

The resolution noted that five separate complaints of human rights violations in Turkey had been filed with the European Commission on Human Rights in July by Denmark, France, the Netherlands, Norway and Sweden and that they were still pending.

The proposal also said the "mass trial" in Turkey of trade union leaders remained a source of "bitter preoccupation" for the council. The trial stems from charges filed before the coup against union leaders who were accused of organizing violence against the government.

"Maintaining Turkey within the Council of Europe is conceivable only on the condition that all rights and fundamental liberties" are re-established, the resolution said. But it stopped short of recommending suspension or expulsion. Council sources emphasized that most European governments wanted to maintain leverage on the regime's promise to restore democracy.

Mr. Urwin and other members of parliament said, however, that the resolution also recommended that the Parliamentary Assembly seriously consider the possibility of urging Turkey's suspension or expulsion from the council. But they emphasized that such a possibility should be viewed in long-range terms and that it was not the present intent of the committee to recommend stronger action.

"It is now up to them," Mr. Urwin said of the Turkish leaders. He added that the resolution also recommended that the council's member governments use their influence on Turkey at all levels to "improve the situation" concerning human rights and rapid restoration of democracy.

Italians Report Crime Increase

Rome — All forms of crime except kidnapping are increasing in Italy and the judicial system is not adequately equipped to cope, according to a Supreme Court report released Wednesday.

The report, a review of judicial activity, was prepared by the court's attorney general, Giuseppe Tamburrino. It said that about 65 percent of the 29,241 people in jail were still awaiting final disposition of their cases and that 700,000 cases were pending in courts nationwide.

Mr. Tamburrino reported that murders increased 18.4 percent in 1982 to 2,341; robberies rose 15.7 percent to 23,127; rape or attempted rape, 17 percent to 1,076; and fraud, 18.1 percent to 21,363. Kidnapping, which has plagued Italy for a decade, declined 9.9 percent to 265.



President Chun Doo Hwan of South Korea, left, and Prime Minister Yasuhiro Nakasone of Japan met on Wednesday in Seoul for discussions about cooperation.

Military Role in Korea Is Ruled Out by Japan

SEOUL — Prime Minister Yasuhiro Nakasone of Japan rejected Wednesday a Japanese military role on the Korean peninsula. He said at the end of a two-day visit to South Korea that the Japanese Constitution, which renounces war, prevented any military cooperation with countries other than the United States.

South Korean newspapers earlier reported that Mr. Nakasone and President Chun Doo Hwan of South Korea had agreed to increase security cooperation among South Korea, Japan and the United States. But before returning to Tokyo, Mr. Nakasone said: "No such subject was discussed."

In a communiqué with President Chun at the end of the first official visit to South Korea by a Japanese prime minister, Mr. Nakasone pledged the maximum possible

Japanese cooperation in Seoul's 1982-86 development program. The communiqué did not give figures, but the two countries agreed earlier Tuesday on \$4 billion in Japanese aid.

The aid package was agreed upon in separate talks between the Japanese foreign minister, Shintaro Abe, and South Korea's Lee Bum Suk after two years of difficult negotiations between Seoul and Tokyo. The South Koreans had originally asked \$6 billion.

The aid will be extended over about seven years beginning at an average annual interest rate of about 6 percent, the officials said.

Mr. Nakasone said that Mr. Chun had asked him to urge President Ronald Reagan to reject calls for protectionism and maintain the principles of free trade when he visits Washington next week.

U.S. Said to Consider Tax Surcharge of 10% To Cut Deficit in 1986

By Thomas B. Edsall
Washington Post Service

WASHINGTON — As a possible option to raise about \$40 billion in 1986, Treasury Department officials are said to be considering a 10-percent surcharge on individual, and possibly corporate, income taxes.

In the last-minute drive to come up with ways to reduce long-range deficits as the budget is readied for printing, the surcharge would solve a number of immediate political and practical problems, Reagan administration sources said, although it is by no means clear that Congress or President Ronald Reagan would approve such a tax increase.

The advantages appear to be as follows: • For an administration committed to lowering tax rates, the surcharge could be portrayed as temporary; a similar 10-percent increase during the Vietnam War was imposed for a year.

• At 9 percent to 10 percent, a surcharge on corporate and individual income taxes almost exactly fills the goal of raising 1 percent of the gross national product, the ceiling on tax increases set by Mr. Reagan. A 10-percent surcharge would raise the amount of tax paid by an individual or corporation by one-tenth.

• With a deadline of Friday for sending budget documents to the printer, the surcharge proposal is simple enough to incorporate quickly, as opposed to a set of complex, multiple tax increases along the lines of legislation enacted last year.

In preparing the budget for the fiscal year 1983, officials estimated 1986 corporate and individual tax receipts at about \$485 billion, indicating that a 10-percent surcharge would raise \$48.5 billion. Since then, estimates of economic growth have been reduced but taxes were raised.

Treasury Secretary Donald T. Regan has ruled out a number of other tax increases considered to have some justification on economic and equity grounds. They include elimination of the deductions

for state and local sales taxes, for non-mortgage consumer interest and for interest payments on second homes.

Another proposal, a ceiling on the exemption for employer-paid health insurance, will be part of the next budget, but it is not part of the 1986 tax plan.

A Treasury spokesman said no final decisions had been made on what tax increases would be presented to the president and that a number of alternatives were available.

Among other alternatives are to rescind some tax cuts scheduled to go into effect or grow in 1986 and retaining some existing taxes that were to be phased out.

■ **Pay Cuts Being Sought**
Defense Secretary Caspar W. Weinberger said Wednesday that Mr. Reagan would soon ask federal workers and military service personnel to forgo some or all of their raises next year. United Press International reported from Washington.

Mr. Reagan has already agreed to scale back his military budget because of 1984 deficit projections. The president and Mr. Weinberger disclosed Defense Department budget cuts Tuesday, totaling \$8 billion in direct spending for 1984 and \$11.3 billion when spending authority in later years is added.

"There will be government-wide policy with respect to government employees, including the military," Mr. Weinberger said, "and when that is formally announced, it will result in additional reductions." He declined to provide further details.

Israeli Effort Reported on Agenda Plan

By Edward W. Walsh
Washington Post Service

JERUSALEM — The Israeli government decided Wednesday to demand certain unspecified changes in the latest U.S. proposal to break the deadlock in the negotiations on an Israeli troop withdrawal from Lebanon.

The decision was made by a government steering committee that is headed by Prime Minister Menachem Begin and includes Defense Minister Ariel Sharon and Foreign Minister Yitzhak Shamir. Israeli officials refused to discuss the details of the changes they are seeking, but they were characterized by a source close to Mr. Begin as "not radical" departures from the substance of the U.S. proposal.

Amid signs of growing impatience among all the negotiators, the Israeli, Lebanese and U.S. delegations are to meet again Thursday in the northern Israeli town of Kiryat Shmona to discuss the U.S. ideas for breaking the stalemate. It will be the sixth meeting since the twice-weekly talks began on Dec. 28. Thus far, they have failed to produce agreement on the scope and wording of an agenda for the substantive negotiations.

The U.S. special envoy, Philip C. Habib, is scheduled to meet Thursday with Mr. Begin and will reportedly deliver a message from President Ronald Reagan on the importance of accelerating the troop withdrawal talks.

The dispute over the agenda centers on Israel's insistence that Lebanon agree to normal relations with Israel, including an open border and the free flow of trade and tourism, in return for an Israeli troop withdrawal from the southern third of the country.

The Lebanese, fearful of the reaction among the country's Moslem majority and throughout the Arab world if they agree to formal ties with Israel, want the talks to concentrate on the troop withdrawal issue and Israel's demand for "security arrangements" in southern Lebanon.

■ **Arafat Meets Andropov**
Yasser Arafat, chairman of the Palestine Liberation Organization, met Wednesday with the Soviet Communist Party leader, Yuri V. Andropov, and said that Palestinian guerrillas fighting the Israelis in Beirut last summer took their inspiration from the Soviet World War II defenders of Stalingrad and Leningrad. United Press International reported from Moscow.



Vladimir A. Chernov in London on Wednesday.

British Order Expulsion Of a Russian Translator

The Associated Press

LONDON — In the latest in a string of expulsions, Britain ordered a Soviet employee of the International Wheat Council on Wednesday to leave London because of "activities incompatible with his position," a diplomatic phrase for spying.

Vladimir A. Chernov, 31, a Russian-language translator for the council since September 1978, was given a week to leave the country, a Foreign Office statement said.

It said British officials had lodged a protest with the Soviet Embassy about "Soviet abuse of an independent international organization." The statement did not elaborate on Mr. Chernov's alleged activities.

Mr. Chernov denied he had behaved improperly. "I have done nothing to bypass the rules and regulations dealing with foreigners in this country," he told the Press Association, the British domestic news agency.

The International Wheat Council is a United Nations-sponsored body that monitors and coordinates world production and consumption of wheat. Mr. Chernov's expulsion follows a series of spy cases in Britain during the past 15 months; a half-dozen Soviet officials have been expelled.

U.S. Awaits Statement By Hussein on Talks

By Bernard Gwertzman
New York Times Service

WASHINGTON — Administration officials say they are counting on King Hussein of Jordan to declare his readiness to join in negotiations on Palestinian self-rule by the end of next month, provided he receives stronger backing than he has received up to now from Saudi Arabia.

The officials caution, however, that his expected statement probably will only translate into actual negotiations with Israel and Egypt if there is progress on removing foreign troops from Lebanon and if Israel agrees to some good-faith gesture such as a temporary halt in establishing new Jewish settlements on the West Bank and Gaza Strip.

Also important to Hussein, the officials said Tuesday, is the attitude of the Palestine Liberation Organization leadership, which has been discussing with him the makeup of a possible joint Jordanian-Palestinian delegation to the talks. With all these uncertainties, officials said, it is possible that the U.S. effort to persuade Hussein to join the negotiations might fail. But for the moment, officials said, the timetable looks encouraging for late next month.

Yasser Arafat, the PLO leader, concluded talks on Monday with Hussein in Amman and arrived Tuesday in Moscow for talks with Soviet leaders. So far, U.S. officials said, Mr. Arafat has not tried to sabotage the possible negotiations.

Upjohn Assailed At U.S. Hearing On Contraceptive

Washington Post Service

WASHINGTON — A Food and Drug Administration consultant has criticized the Upjohn Co. for selling an injectable birth control drug to 10 million women around the world without safety studies.

Robert N. Hoover, chief of the environmental epidemiology branch at the National Cancer Institute and an agency consultant, Tuesday called Upjohn's actions "outrageous" and "unconscionable."

The accusation was made on the second day of an agency hearing requested by Upjohn, which is trying to overturn a 1978 ban on the birth control drug. The contraceptive, called Depo-Provera, can be injected to last for three months and is widely used in developing nations. It is also used in some European countries.

Spokesmen for Upjohn and the agency said that what was needed were carefully controlled studies that follow women who take the drug over a long time. Both agree that no such studies exist, although the World Health Organization is now doing one.

Mr. Hoover said the scientists should consider whether the drug caused cellular abnormality or cancer in animals; whether this occurred in more than one species; whether it occurred at more than one place; and whether there was a direct relationship between an increase in dosage and increased abnormalities.

"Depo-Provera comes up as a bad actor on all counts," Mr. Hoover said.

WORLD BRIEFS

AT&T Antitrust Award Rejected

CHICAGO (AP) — A federal appeals court Wednesday threw out AT&T's \$1.8-billion antitrust award against the American Telephone & Telegraph Co. in a lawsuit alleging that the world's largest corporate had tried to monopolize the long-distance telephone market.

However, the 7th U.S. Circuit Court of Appeals upheld some of the jury's findings that AT&T engaged in antitrust activities and sent the case back for retrial on the issue of damages.

A federal jury in June 1980 awarded \$600 million in damages to Communications Corp. for AT&T's alleged refusal to grant certain city telephone connections to the microwave telephone communications company. U.S. District Court Judge John F. Grady tripled the damages under provisions of the Sherman Antitrust Act.

Britain to Survey Men in A-Tests

United Press International

LONDON — The Ministry of Defense announced Wednesday it will carry out a health survey of 12,000 British servicemen involved in A-10 tests in the South Pacific and Australia in the 1950s, to counter fear safety precautions were inadequate.

Recent court cases in the United States and Australia suggest a incidence of disease, particularly cancer, and early death among who took part in early atomic tests.

"There is no evidence to show that there is a higher incidence of cancer among those involved," a ministry spokesman said. "Nevertheless only way we can confirm that is through a scientifically based, statistical survey."

Thatcher Ends Visit to Falklands

STANLEY, Falkland Islands (AP) — Prime Minister Margaret Thatcher left the Falkland Islands on Wednesday after a five-day visit. British Broadcasting Corp. reported.

Correspondents traveling with Mrs. Thatcher said the prime minister left on a British Air Force Hercules cargo plane. She was seen off by Rex Hunt, the Falklands civil commissioner, his wife and the island military commander, Major General David Thorne.

Before leaving, the prime minister toured Mount Tumbledown, outskirts of Stanley, the scene of some of the fiercest fighting of the day war with Argentina last spring.

Kenyan Leader Attacks Dissent

NAIROBI (UPI) — President Daniel Arap Moi strongly attacked dissent against his Kikuyu-dominated regime at a political rally Wednesday in Luo land, the official Kenya News Agency reported.

Mr. Moi told the mainly Luo crowd in Kisumu, 150 miles (240 kilometers) northwest of Nairobi, that "you people want to finish me by trying me worried." He said he knew who was behind attempts to overthrow his regime and that he would "blow them out one by one."

The Luo, the largest minority tribe in Kenya, has traditionally opposed to Kikuyu-dominated government. The Luo leader, former President Oginga Odinga, has been under house arrest since November.

For the Record

LOS ANGELES (AP) — Ginny Eleanor Foat, 42, the top officer of a California chapter of the National Organization for Women, was arrested Tuesday on a 1965 murder warrant from Louisiana. Officials said they had believed until recently that Mrs. Foat was in a 74 prison for another slaying.

DUBLIN (UPI) — Malcolm McArthur, 36, a confessed murderer whose arrest in August led to the resignation of Patrick Cosmo Ireland's attorney general, was sentenced to life imprisonment Wednesday for killing a young nurse in a city park last summer. Mr. McArthur was arrested in the apartment of Mr. Connolly, who was forced to save embarrassing the government of Charles Haughey, who was minister at the time.

U.S. Responds Warily To Soviet Missile Bid

Reuters

WASHINGTON — U.S. officials said Wednesday that a reported Soviet offer to destroy some medium-range nuclear missiles in Europe could be a step in the right direction but left many questions unanswered.

Assuming that press reports of separate meetings of high Kremlin officials with a U.S. congressional delegation and a West German opposition leader represented a firm Soviet offer, the officials said it was not clear whether new SS-20 missiles were included along with older SS-4s and SS-5s that were being phased out anyway. The officials requested anonymity.

Even a firm commitment to scrap some SS-20s would not meet all the conditions for U.S. agreement to reduce or cancel the 572 cruise and Pershing-2 missiles it plans to deploy in Western Europe starting late this year, they said.

Yuri V. Andropov, the Soviet leader, proposed last month to reduce medium-range missiles on Soviet territory in Europe from around 500 to 162, matching British and French forces, if the plans for installation of U.S. Pershing-2 and cruise missiles were dropped.

But he did not say if SS-20s, SS-4s and SS-5s in excess of that number would be dismantled, put in storage or moved east of the Ural mountains in Soviet Asia.

Washington has offered to drop plans for deployment of the U.S. missiles if Moscow agrees to scrap all its medium-range weapons, and the White House said Wednesday that this so-called "zero option" remained the U.S. position.

Larry M. Speakes, the White House deputy press secretary, said that any plan allowing Moscow to retain some of its medium-range missiles would leave it with an advantage over the West because it now has no comparable weapons.

"We will be discussing these Soviet ideas when the talks resume" in Geneva, he said.

The talks have taken place "in a businesslike manner and we are hopeful they will continue to move forward," Mr. Speakes said.

A 13-member U.S. congressional delegation said the leading Soviet arms negotiators, Viktor Karpov and Yuri Kvitsinsky, told them at a meeting in Moscow on Tuesday that the Kremlin would "consider destruction of the missiles."

West German sources said Wednesday that Mr. Andropov had said Moscow would be ready to discuss scrapping some of its SS-20s as part of a reduction settlement.

They said the offer was made during talks Tuesday between Mr. Andropov and Hans-Jochen Vogel, the Social Democratic candidate for chancellor in West German elections in March.

U.S. officials, who asked not to be named, said Washington was insisting on conditions in addition to dismantling of Soviet missiles in excess of any ceiling that may be mutually agreed upon at talks in Geneva on reducing missiles in Europe.

U.S. demands include an agreement that such a ceiling on Soviet missiles based in Europe would also all of the SS-20s, a 3,000-mile (4,800-kilometer) range capable of hitting European targets from bases in the Ural.

Officials say there must also be a separate sub-ceiling on Soviet missiles based in Asia to keep down from simply putting in the mobile missiles there to replace those shifted to Europe at a time of crisis or war.

They say Moscow would have to agree, at least in part, to similar restrictions on some longer-range missiles, such as 12s, not covered in current talks but capable of being moved to substitute for the SS-20s.

If Moscow were to accept conditions, Washington might be willing, in exchange for a cut in reduction in SS-20s, to plans of the North Atlantic Treaty Organization to deploy new missiles, which are unpopular in the West European countries where they are to be stationed.

The United States would agree to link the ceiling on Soviet missiles to the number of U.S. and French missiles, which don't and Paris insist are independent nuclear deterrents not subject to U.S.-Soviet negotiations.

Administration officials say Moscow is sufficiently anxious to prevent the West from putting missiles in Europe that agree along these lines is possible, talks on intermediate-range forces resume in Geneva on 27.

U.S. military analysts say leaders are especially wary about the planned 108 Pershing missiles, which would be able to target Soviet bases in Germany virtually without warning.

■ **Budget Cuts Called Ploy**
Tass, the official Soviet agency, said Wednesday that President Ronald Reagan was trying to mislead the public and dampen antiwar movement with a ploy to trim the proposed U.S. defense budget for next year. Reuters reported from Moscow.

Tass said Mr. Reagan's ploy cut the 1984 defense budget \$11.3 billion was "nothing but another of the Pentagon's ploys."

President Reagan, faced with soaring national deficit, said 1 day that he had accepted the in previously announced levels proposed by Defense Secretary Caspar W. Weinberger, had earlier said cuts would threaten U.S. security.

Tass called the proposed figure-juggling act aimed at concealing the truth about military spending, which it quipped reports as saying would increase by 14 percent to 15 percent in 1984 compared with the current year.

"The purpose of the administration's ploy is to mislead the public to dampen the intensity of movement for an end to the arms race and for a freeze on nuclear arsenals," Tass said.

EGYPT

Sheraton Style



From Alexandria to Cairo, from Heliopolis to Hurghada, enjoy excellent business locations and exciting vacation destinations. You can even explore the ancient wonders with the ease and luxury of a Sheraton Nile Cruise.

For reservations and information call
06-079-2800 in Paris 0611-295306 in Frankfurt
01-636-6411 in London 185063 in Munich

Or call your local Sheraton Hotel or Reservation office, or your travel agent.

MONTAZAH SHERATON, ALEXANDRIA
CAIRO SHERATON, HURGHADA SHERATON
HELIOPOLIS SHERATON, SHERATON NILE CRUISES

Sheraton Hotels in Egypt

Quality Manpower From Bangladesh, India, Pakistan, Philippines, Sri Lanka & Thailand

We are a well organized recruiting group, a group of government licensed leading recruiting companies of Bangladesh, India, Pakistan, Philippines, Sri Lanka and Thailand having its Middle East liaison office to procure demands of manpower as well as to ensure prompt and efficient service to the prospective employers of Saudi Arabia, Iraq, Jordan, Kuwait, U.A.E., Qatar, Muscat (Oman), Libya, Malaysia and in any countries of the world.

We can supply you most efficient, reliable, hard working qualities and cost effective workforce in all categories with time guarantee and maximum back-up facilities.

If you need multinational workforce and if you prefer to bring your multinational workforce through 'ONE' well organized recruiting group and if you have ready block visa of any categories of workers to bring from above Asian country/countries or your block visa is under process or you are expecting a project or you need a permanent arrangement to handle your regular manpower requirements from above country/countries, let us put our technology to serve for you. Resident representative for Bangladesh company and resident representative for companies of other countries are available at your beck and call, kindly telex or write to:

Multinational Recruitment Group, P.O. Box 2919, Tlx 401969, Tel: 660 1294, Jeddah, Saudi Arabia.
Associates and Offices in Bangkok, Bombay, Colombo, Dhaka, Islamabad, Karachi, London, Manila and New Delhi.

هكمان الأهل

Schweiker Quits Post; Ex-Congresswoman Is Chosen as Successor

By Juan Williams

Washington Post Service

WASHINGTON — Richard S. Schweiker, secretary of health and human services, resigned Tuesday night to accept an offer in private business, and he was replaced Wednesday by Margaret M. Heckler, a former Massachusetts congresswoman.

President Ronald Reagan announced Mrs. Heckler's appointment after accepting a letter of resignation from Mr. Schweiker, who had been in Mr. Reagan's cabinet since he became president.

Mr. Schweiker is to become head of the American Council of Life Insurance, an umbrella group that acts as a representative for major life insurance companies in the United States.

Mrs. Heckler, 51, was the second woman named to the cabinet in the new year. Elizabeth H. Dole, a former aide in the Reagan White House, was named transportation secretary Jan. 5. She replaced Drew Lewis, who accepted a job as head of Warner-Amex Cable Communications Inc., a cable-television concern.

The resignations of Mr. Schweiker and Mr. Lewis apparently did not stem from any political disputes within the administration. Both men and White House aides said the two were offered lucrative positions in private industry that they felt might not be there in two years.

Mr. Schweiker is to earn a salary of well over \$100,000, as against his cabinet salary last year of \$69,630. On Dec. 18, the salary rose to \$80,100.

The addition of women to Mr. Reagan's cabinet occurs at a time when opinion polls show the president unpopular with women voters for his continued stand against the proposed Equal Rights Amendment to the Constitution and his budget cuts in social programs.

"It is with deep regret that I have today accepted the resignation of a trusted adviser and able administrator," the president said as Mr. Schweiker and Mrs. Heckler stood at his side.

Mrs. Heckler, a liberal Republican, served eight terms in the House and was defeated in a reelection bid last fall. She lost her seat after her district was redrawn and she had to face Representative Barney Frank, a liberal Democrat, in the election.

A frequent supporter of liberal causes, she fought Reagan supporters at the 1980 Republican national

convention to get party support for the ERA.

At the White House on Wednesday, however, she pledged her loyalty to Mr. Reagan, saying: "It is with a sense of faith in your vision and your goals for America, faith in President Reagan, that I accept what I think is the hardest job in Washington."

The president said Mr. Schweiker is a man who has done an outstanding job as secretary of health and human services. "I understand," he has been offered a fine opportunity in the private sector and will join the best of luck."

A former congressman and two-term senator from Pennsylvania, Mr. Schweiker was Mr. Reagan's choice as running mate in 1976 in his unsuccessful bid for the Republican presidential nomination. When Mr. Reagan was nominated and elected four years later, Mr. Schweiker, who had not sought reelection to the Senate, was named to the cabinet.

Mr. Schweiker followed the Reagan administration line as secretary of health and human services by supporting cuts in Medicare and Medicaid, the federal programs providing health insurance for the elderly and health assistance to the poor.

But he also fought to protect medical research, the Public Health Service and the Head Start program for disadvantaged youths from budget cuts.

As head of the life insurance group, he will deal only with insurance, sources said, and will be involved in the health insurance area, over which he had jurisdiction as secretary of health and human services.

Mr. Schweiker was said by associates to believe that the new job was a "blue-ribbon offer" and "irresistible."

Sources said that Mr. Schweiker had told the president Friday that he wanted to resign in early February. The sources said he wrote a letter of resignation to the president Monday.

He is the fourth member of Mr. Reagan's original cabinet to step down. Besides Mr. Lewis — Mr. Schweiker's friend and political ally in Pennsylvania — Secretary of State Alexander M. Haig Jr. and Energy Secretary James B. Edwards resigned last year.

Social Security Commissioner John S. Wein has been mentioned as potential undersecretary, as has Edward N. Brandt Jr., the assistant secretary for health.



CULTURE MEETING — Jorge Luis Borges, the Argentine writer, seated, met Wednesday with Jack Lang, the French culture minister, at a reception in Mr. Borges's honor at the Collège de France, Paris. Mr. Borges will receive the Legion of Honor from President François Mitterrand of France next week.

U.S. to Press for Fees Under Information Act

By Stuart Taylor Jr.

New York Times Service

WASHINGTON — The Reagan administration, which has unsuccessfully urged Congress to narrow the Freedom of Information Act, is now moving to cut down on the number of requests under the act that are granted free of charge.

Under new guidelines issued by the Justice Department, agencies are instructed to charge fees before granting Freedom of Information Act requests unless the requesters can establish that "there is a genuine public interest in the subject matter of the documents" and satisfy four other criteria.

The assistant attorney general, Jonathan C. Rose, who sent the guidelines to all U.S. agency heads Friday, said Tuesday that they were designed only to clarify the intent of the statute and were not "meant to be a basis for unjustifiably denying fee waivers."

However, the three-page memorandum announcing the guidelines stresses the need "to safeguard the public treasury" by collecting fees in cases in which the act permits their collection.

The guidelines supersede much longer and more complex guidelines issued by the Carter administration and show a pronounced change in emphasis.

"They place more stress on cases in which waivers should be denied. They specify at one point, for example, that it is not 'in the public interest to grant a waiver solely on the basis of a requester's indigence.'"

Mark Lynch, a lawyer with the American Civil Liberties Union's Center for National Security Studies here, said Tuesday that the new guidelines violated the intent of Congress and would "make it harder to get information from the government."

Mr. Rose responded that the guidelines are "balanced and fair." In the 1974 amendments to the act, Congress said fees for the costs of processing requests should be waived or reduced when this would be "in the public interest because furnishing the information can be

considered as primarily benefiting the general public."

The conference committee report to the 1974 amendments stated that "fees should not be used for the purpose of discouraging requests for information or as obstacles to disclosure of requested information."

The fees vary widely. They range from 3 cents a page charged by the Civil Rights Commission to 25 cents a page charged by the Selective Service System. Computer service charges run from \$2.70 an hour at the Commerce Department to \$100 an hour at the Export-Import Bank.

The five criteria that requesters must establish to qualify for fee waivers under the new guidelines are:

- There is a genuine public interest in the subject matter.
- The records in fact contain information on the issue found to be of public interest.
- The information is not already available in the public domain.
- The requester has adequate qualifications to understand the material and disseminate it.
- The benefit to the general public outweighs any personal interest of the requester in obtaining the information.

New Jersey Silence Law Suspended

New York Times Service

TRENTON, New Jersey — A federal judge has temporarily enjoined public schools in New Jersey from beginning each day with a one-minute period of silence.

The restraining order is valid until next Tuesday, when a hearing will be held to determine if the practice violates the U.S. Constitution.

Judge Dickinson R. Debevoise of U.S. District Court acted Monday after reviewing a complaint and affidavits provided by the American Civil Liberties Union of New Jersey as part of a suit by the organization against the law, enacted Dec. 13, mandating the minute of silence.

Studies Question U.S. Military Budget Plans

Pentagon Consistently Underestimates Future Costs, They Say

By Charles Mohr

New York Times Service

WASHINGTON — Two studies have concluded that the large military budgets planned by the Reagan administration will probably not increase the weapons and fighting capability of U.S. armed forces because Pentagon planners have consistently and seriously underestimated the future costs of weapons.

Both studies, one from within the Pentagon and the other by a research group, call for sweeping reforms in the way military budgets are made and military planning conducted.

One of the studies was completed late last year by a career civil servant in the Department of Defense but has been suppressed by more senior Pentagon officials, who at one point denied that the analysis even existed.

The other study was to be made public Wednesday by the Heritage Foundation, a Washington research organization with a conservative political orientation and strong ties to the White House.

A terse written statement Tuesday from the Defense Department dismissed the Heritage Foundation paper as ill-informed. But the foundation's vice president, Richard Holwell, said in a telephone interview that the study had been discussed at an "in-depth" White House meeting and asserted that some Pentagon officials welcomed its conclusions.

Both studies are based on official Pentagon statistics spanning the period from the mid-1970s to current estimates for the Defense Department budget for fiscal year 1984.

One of the basic conclusions of the studies is that the money needed to purchase and to maintain and operate the military equipment that the Pentagon's five-year military plan contemplates buying will significantly exceed the \$1,600 billion that President Ronald Reagan had hoped to budget for the military between October of last year and October of 1986.

This will lead, the studies conclude, to forced reductions in the numbers of weapons actually acquired and the ability to keep them combat ready.

George W.S. Kuhn, the author of the Heritage Foundation study, wrote that "the Reagan budget increases have not changed the unhealthy trends in U.S. defense capabilities."

"More spending in the usual manner on the usual kinds of programs would only raise the level at which the internal cancer consumes resources," he said.

The report, which embraces many principles of a loose bipartisan coalition known as the military reform movement, calls for canceling some "marginal" weapons programs to free more money

for full financing of more vital weapons.

The official Pentagon study has not been made public. It was prepared by Franklin C. Spinney, an official in the Plans, Analysis and Evaluation Office of the Defense Department.

Mr. Spinney was identified as the author in a "point paper" prepared by another official, Milton Margolis. That paper was critical of some aspects of Mr. Spinney's work but said "our major conclusions confirm the basic thesis that actual procurement costs usually exceeded the planning estimates."

While Mr. Spinney has been ordered to cease giving his briefing even to other Pentagon officials, some details were made available by other officials and informants.

Because the cost of weapons has increased faster over the years than overall military budgets have increased, numbers of weapons have tended to decline. And because the cost of operating and maintaining the increasingly complex weapons favored by Pentagon officials also goes up, combat readiness has been degraded, many officials believe.

The most dramatic aspect of the two new studies is to suggest that these trends are much worse than has generally been realized in Con-

ceived in the 1970s the Pentagon estimated that inflation would increase costs from 9 percent to 100 percent. In fact, inflation and design and program changes and the added costs of unstable production increased costs by many times that estimate — from a minimum of 92 percent to as much as 800 percent.

Mr. Kuhn said that although budget totals were now higher, the numbers of weapons being delivered was lower than contained in President Jimmy Carter's five-year plan adopted in 1979.

Mr. Kuhn's study uses official Pentagon planning statistics to show that for 28 weapons systems

STOCKHOLM Sheraton Style



The beautiful waterfront location in the heart of the shopping and business district is only one of the reasons you'll enjoy Sheraton. This hotel is tailor-made for people who set high standards for their work and leisure. Special features include meeting and banquet facilities and 24-hour room service. And at the luxurious Sheraton Towers every room offers a balcony view plus all the special Sheraton extras that will make your business stay an unforgettable one.

For reservations and information call

06-079-2800 0611-295306

In Paris

In Frankfurt

01-636-6411 185063

In London

In Munich

Or call your local Sheraton Hotel

or Reservation office, or your travel agent.

Stockholm Sheraton

Search Warrants Put On Hold in Ontario

By Michael T. Kaufman

New York Times Service

OTTAWA — Writs of assistance, a type of all-purpose search warrant that inflamed American colonists to rebellion more than 200 years ago, have been suspended in the province of Ontario as appellate courts consider their constitutional validity.

The writs, issued to specific law enforcement officials, are valid for the working lives of the officers who received them. Unlike conventional search warrants, which specify exactly what is sought and exactly where it is to be looked for, these documents permit forced entry and indiscriminate searches of virtually any premises. Evidently, they have been used largely by narcotics investigators and tax agents.

The legal debate on the writs dramatizes one of the many fundamental differences between Cana-

da, a monarchical democracy, and the United States, the neighboring republic with which it shares so much.

"I repeatedly have to tell my clients that no matter what they may have seen on television, the U.S. Bill of Rights does not apply here," said Sharon Rosenberg, a criminal lawyer. "Illegally seized evidence can be introduced at trial, and there is no free phone call after arrest."

Robert Campbell, a Windsor businessman, observed recently: "I always tell visitors from the States that what we have in Canada is pretty much what they would have at Washington had lost at Valley Forge."

The writs of assistance were first introduced to North America in 1763 in an attempt to strengthen the colonies' respect for the British crown. Instead, they served to stimulate dissent. James Otis's claim that the writs violated the British common-law principle that "a man's home is his castle" was rejected by a Boston court, and it was not until the United States came into being that the practice ended in the 13 colonies.

In Canada, where there was no revolution, the writs continued to be issued until 1976, when the government announced a temporary ban on new writs of assistance while leaving in force the 332 writs then in possession of investigators.

A year ago, the Canadian government, for the first time, established a Charter of Rights in its new constitution, and though government justice officials have called the retention of the writs necessary, the issuance and use of them has been increasingly challenged in the courts with arguments similar to those offered by James Otis.

The most recent attack on the writs came when Paul Belanger, a lower court judge in Ottawa, dismissed a drug case, saying a search of the defendants' home by Royal Canadian Mounted Police possessing a writ violated the charter's specific guarantees against unreasonable search and seizure.

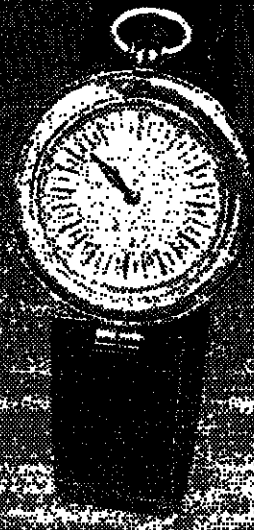
Within two days, Mountie authorities reported that they were voluntarily suspending the use of the writs in Ontario province at least until an appeal was decided by the top provincial court. The writs, which specifically permit the Mounties to break and enter and damage property in the course of searches, are still in force in the rest of Canada. Civil rights lawyers hope the writs will eventually be invalidated by the federal Supreme Court.

China, Angola Renew Ties

The Associated Press

BEIJING — China and Angola established full diplomatic relations Wednesday by signing a joint communiqué in Paris, the Xinhua news agency reported.

La montre Philosophique



Andemars Piguet
The most exclusive watch in the world

THE INTERNATIONAL MANAGEMENT NETWORK

NETWORK OF BUSINESS MAGAZINES

Reaches managers more effectively

EUROPE	publication	country	readership
INTERNATIONAL MANAGEMENT	monthly	multinational	227,000
ACTUALIDAD ECONOMICA	weekly	Spain	280,000
ESPANSIONE	monthly	Italy	267,000
FAKTA	monthly	Finland	68,000
FARMAND	weekly	Norway	172,000
INDUSTRIEMAGAZIN	monthly	Germany	127,000
MANAGEMENT TEAM	monthly	Netherlands	217,000
MANAGEMENT TODAY	monthly	U.K.	142,000
MANEDS BØRSER	monthly	Denmark	128,000
VECKANS AFFÄRER	weekly	Sweden	300,000
Total Audience			1,928,000

PACIFIC	publication	country	readership
INTERNATIONAL MANAGEMENT	monthly	multinational	274,000
AUSTRALIAN BUSINESS	alt. weeks	Australia	200,000
NIKKEI BUSINESS	alt. weeks	Japan	412,800
INTERNATIONAL INDUSTRIAL REPORT & Buyer's Guides	alt. months	China	750,000
Total Audience			1,636,800

AFRICA/MIDDLE EAST	publication	country	readership
INTERNATIONAL MANAGEMENT	monthly	multinational	255,000
ALAM AL IDARAH	monthly	in Arabic	336,000
Total Audience			591,000

LATIN AMERICA	publication	country	readership
INTERNATIONAL MANAGEMENT	monthly	multinational	573,000
Audience			4,728,800

CALL IN THE INTERNATIONAL SPECIALISTS TO TELL YOU MORE

London:
Richard Harradine,
(Senior Accounts Manager,
UK, Benelux & Greece)
Peter Wolland (District Manager,
UK & Scandinavia)
34 Dover Street,
London W.1.
Tel: 01-493-1451

Paris:
Muriel Bardon-Tenenbaum
17 rue Georges Bizet,
75116 Paris,
Tel: 720-3242

Milan:
1 Via Baracchini,
Milan 20123
Tel: 96-90-617

Frankfurt:
Imgrid Cettiger,
(District Manager,
Germany, Switzerland
& Austria)
Dieter Rothenbach
(District Manager,
Eastern Europe)
Leibgasse 27C,
Frankfurt Main 6000
Tel: (0611) 72-01-81

Herald Tribune

Published With The New York Times and The Washington Post

Mission Impossible

Looking back over 10 years of planning for the MX missile, it would appear that the last thing needed is another study. A mere 34 possibilities for basing it have already been evaluated. Yet in truth what is needed is more study, not less. Congress was prudent to order a broad new presidential report: President Ronald Reagan has now assigned this mission to another study commission, but given it too little time.

What Congress asked for was not only another review of MX basing but a review of the entire program to modernize strategic forces. The new commission on Strategic Forces, headed by General Brent Scowcroft, is to examine land-based ICBMs and basing alternatives as well as examine alternatives to MX, but has been given only six weeks to do it. Can valid new proposals be expected in these circumstances?

When Congress voted last month to bar production of the MX until a permanent basing mode is approved, it did not ask for the president's new proposal by March 1. It asked for a proposal no earlier than March 1.

What is the rush? A year ago, after Mr. Reagan abandoned the Carter administration's "railroad" system, Defense Secretary Caspar Weinberger wisely sought three years to re-study basing alternatives. But with Congress pressing him, Mr. Weinberger established two successive study panels.

A technical team headed by Charles Townes, a Nobel physicist, reported that it could find no practical system for basing the huge MX on land that would assure survivability. It suggested study of an air-based system, aboard new "Big Bird" planes. But the Big Bird concept met Air Force and congress-

sional opposition. A second Townes panel last year gave qualified support to an Air Force scheme for clustering 100 MX missiles in a "dense pack" of superhard silos. The president proposed that, but then it became known that Mr. Townes had technical reservations; so did three of the five chiefs of staff. Prudently, Congress withheld approval.

Given only six weeks, the Scowcroft commission may be tempted by an obvious quick fix. Combining Carter and Reagan schemes, Harold Brown, the former defense secretary, has proposed adding 900 empty silos to a dense pack. The problem with that is evident from a question: What if the Russians built 1,000 superhard silos, claimed 900 were empty and insisted they could not be quickly filled with spare missiles? The United States would have to assume they could. And that would probably end arms control possibilities forever.

The Scowcroft commission would start much more productively by acknowledging that even with a one-year delay in MX production, the first missiles would be available months before the first silo was ready. What is needed is a thorough study of all strategic forces, not just MX.

Why think only of huge multi-warhead ICBMs of uncertain survivability but with a first-strike capability that tempts the enemy's preemptive attack? Would the Navy's invulnerable Trident-2 missile not be better? Or why not turn to smaller, more mobile single-warhead missiles?

The MX may or may not be a missile impossible. But to give General Scowcroft's panel only six weeks to do a proper job is a mission impossible.

—THE NEW YORK TIMES.

Arsenic and Old Hair

History is the art of inferring what happened in the past. Most of the historian's witnesses are dead; what he must work with is the incomplete written record, in which the gaps may be more truthful than the documents that have been left behind. But this subtle art is now threatened with confusion.

Take the death of Napoleon. As any historian could tell you, the French emperor died in exile on the remote island of St. Helena in 1821 from stomach cancer and a perforated ulcer. So say the contemporary documents, which there has been no particular reason to doubt. But then the busy art of science reached in and intersected a wholly novel kind of evidence. New techniques for measuring elements in microscopic amounts reveal bands of arsenic in Napoleon's hair. Forensic experts assert Napoleon was poisoned.

If any historians yielded to the new evidence, they did so prematurely, it turns out. The thesis has been challenged by two articles in a recent issue of *Nature*. Two British scientists note that the emerald greens in 19th-century wallpaper were made from a copper-arsenic pigment, which could be converted by a fungus into a deadly arsenical vapor. Having discovered a scrap of Napoleon's St. Helena wallpaper in an old family scrapbook, they say it contains enough arsenic to cause illness, but

not death. "Conspiracy theories need not be invoked to explain arsenic found in his hair," they conclude with a touch of scorn.

A second article reports on the analysis of a lock of Napoleon's hair discovered in Toronto. It contains quite normal amounts of arsenic. "We therefore conclude that Napoleon Bonaparte did not die of chronic arsenic poisoning," say its authors.

Now the original advocate of the poisoning theory, Sten Forshufvud, of Göteborg, Sweden, disputes both groups of critics. He insists doubt about the authenticity of the Canadian hair sample. As for the British scientists, he thinks their theory is off the wall. Napoleon was given intermittent doses of arsenic — as shown by the bands of poison in his hair — to make it seem that he was suffering from some chronic disease. The coup de grace, says Mr. Forshufvud, was a portion of bitter almonds and calomel given just before his death.

How can the historian balance the new kind of evidence against the old, or cope with the intrusion of experts who cannot agree among themselves? Each age reinterprets the past, but new perspectives, not the evidence of an alien methodology, are the customary criteria of revision. If forensic experts are let loose on the stuff of history, how will anything be resolved?

—THE NEW YORK TIMES.

Other Opinion

U.S.-Soviet Staredown

What is Yuri Andropov to make of an administration that puts down the Soviet Union as an "economic basket case" and threatens to bring it to its knees by matching it dollar-for-dollar equivalent until it cracks — and then gets itself into such a financial hole that it has to start easing off before the big defense buildup has barely begun?

What if, having boldly gone eyeball-to-eyeball with the Soviet Union on military spending, the United States is perceived to have been the first to blink?

Given the mixed readings we get from the Soviet experts on the new powers-that-be in the Kremlin, you could conclude that the Russians might see in any slackening of American rearmament a show of weakness that would encourage a tougher Soviet line either in arms control negotiations or across the board. Or Andropov and Co. could choose to see a U.S. flexibility and respond to it in kind.

Much will depend on the degree to which Ronald Reagan can find a way to propound a foreign policy in language, and with a logic, that fits American resources and the fiscal realities. His recent expression of interest in testing the sincerity of the new Soviet leadership is a sensible first step.

—Philip Geyelin in The Washington Post.

Thwarting Reagan

Members [of the new Congress], armed with extra money this time around, will be more prone to take on the White House this year.

The rationale for Democrats and Republican pretenders to the throne is simple: If Ronald Reagan can be thwarted at every turn, the president won't run in 1984.

The administration may not have all the answers, but this kind of maneuvering is exactly what the country does not need. Ambition may have gotten each member into the 98th Congress, but a spirit of compromise is what makes politics work. The enemy is not Ronald Reagan. It is economic stagnation, congressional spending growing at a 7-percent annual rate and a several-headed monster known better as the Communist empire.

—Clarton Ledger (Jackson, Mississippi).

Fortress Greece

Only last month did Greece's first Socialist government finally begin to bite the bullet. It did an about-turn on wages, replacing the generosity it had initially shown to its union supporters with a tough incomes policy. Now the devaluation heralds a more realistic exchange rate policy that will satisfy exporters but could add around 4 percent to consumer prices.

The latest Greek moves underline the urgency of helping Athens overcome the problems it manifests faces. But much of the remedy lies in Greece's own hands. For it has still failed to take full advantage of the possibilities for European Community financial assistance open to it. It is here that the emphasis should be placed rather than resorting to Fortress Greece, which is neither compatible with EC membership nor in the country's own interest.

—The Financial Times (London).

FROM OUR JAN. 13 PAGES, 75 AND 50 YEARS AGO

1908: Twain Takes Five

NEW YORK — Mark Twain appeared in his white flannels at a recent dinner given in his honor by the Lotus Club. There was nothing unusual in this, but he quickly introduced a novelty that he recommended to all after-dinner speakers. He left the dinner table after the first course and, taking a nap for three-quarters of an hour, returned brimful of humor. He closed his speech with a deep emotional description of the hospitality shown him during his last visit to England. He said that he felt proud when he remembered the way in which the humble people had treated him, for Robert Louis Stevenson and he were in agreement for once: It was the greatest fame to live in the hearts of the masses.

1933: Optimism on Depression

NEW YORK — Striking one of the most optimistic notes yet sounded, Charles E. Mitchell, chairman of the National City Bank of New York, yesterday reviewed the Depression in this country. He pointed the way to world recovery through the cooperation of banking facilities of various countries, and called for the re-establishment of a stable relationship between the dollar and foreign currencies through international readjustment. He said: "The declining volume of business over the world since 1929 has been clearly due to the fact that many commodities and services have not been valued to each other upon the same terms as in the past. Gradually these maladjustments are being corrected."

The Shultz Road Map: Perils Ahead, but Also a Path

By Joseph Kraft

WASHINGTON — George Shultz combines broad experience at the highest levels of government and business with the disciplined precision of the trained economist. A visitor comes away with a sense that the secretary of state carries in the back of his head a map of how to traverse safely the danger zone that lies ahead. These seem to be the main contours of that map.

Economic recovery in the United States is the salient feature. Not only for this country but for Europe and Japan and the developing countries, too, Mr. Shultz has been spending a good chunk of his time on domestic economic problems. He was a major architect of the budget consensus that now groups around the president a united cabinet and White House staff. The basic theme is to go for gradual recovery beginning this year. That means relative passivity about budget deficits in 1983 and 1984.

Prospects for an early turnaround seem good to Mr. Shultz. He thinks the economy is currently so weak that the Federal Reserve Board can pour money into the system without much risk of reigniting inflation. He believes that once recovery begins, the deficit projections will drop sharply. Still, he wants to put in place now a program to pare even further deficits in

1985 and 1986, by higher taxes and cuts in social and defense spending.

Once recovery begins in the United States, Mr. Shultz thinks it needs to be sustained by complementary action in other advanced nations. He hopes to keep trade expanding. He feels that a smoothening out of some of the wilder currency swings — notably between the dollar and the yen — is critical to continued growth in the world. In that connection, he has high hopes for broader cooperation with the new Japanese prime minister, Yasuhiro Nakasone, whom he considers to be an articulate and outgoing leader.

The impact of slow growth on the developing countries also concerns Mr. Shultz. He believes that nations that borrowed beyond their resources must accept discipline now. But he talks of the "paradox of austerity" — a term adapted from John Maynard Keynes's phrase, "the paradox of thrift." Just as individuals can save so much that consumption lags and depression ensues, so, if all countries practice austerity, trade will languish and some nations dependent on exports can go under. Mr. Shultz seems to believe that the present arrangements

for bailing out debt-ridden nations are too ad hoc. He speaks of changes that will put the saving of Mexico and Brazil and Yugoslavia on a more systematic footing.

Apart from working with the allies to promote recovery, Mr. Shultz believes in a joint approach toward the Soviet Union. He thinks that, with the thorny issue of the Siberian gas pipeline cleared away, it will be possible for the United States and the Europeans to concert strategy on trade and credits and the export of technology to the Soviet Union. Within that general context he sees the prospect of arms control accords with Moscow.

The proposals already advanced by the United States — notably the "zero option" on intermediate-range missiles based in Europe — are more like opening bids than final positions. Mr. Shultz. But he wants to bargain carefully. He is loath to give wide-ranging authority to negotiators in the field, and he is wary of moving a people and starting an avalanche. There will probably be no change in the U.S. negotiating position until after the West German elections on March 6. Then Mr. Shultz is likely to go for a compromise on intermediate-

range weapons at a level above zero. But he keeps zero as a final target, while moving, happens at a summit session, from focus on the weapons to reduction of strategic missiles.

Slow progress is the outlook in the Middle East. Mr. Shultz does not envision a sequent approach that moves first for a quick settlement in Lebanon and then for an all-out effort on the problem of the Palestinians.

Instead, he wants to keep both sets of negotiations moving in tandem. That is why Ambassador Philip Habib, instead of setting a command post on the spot, keeps shuttling back and forth between the Middle East and the United States. But negotiating with many different objectives is a step-by-step process. Mr. Shultz acknowledges that the big, notably the emergence of King Hussein negotiating partner — is still a way off.

I am personally less confident that the road ahead can be navigated without serious casualties. Still, because the Shultz map shows, as well as a path through them, he seems rather optimistic nor pessimistic. Rather, he marked contrast to the laid-back, California style of so many in the Reagan administration he seems determined.

Los Angeles Times.



Baker's Decision Hold A Warning for Reagan

By James Reston

WASHINGTON — Howard Baker of Tennessee, the Republican leader of the Senate, has let it be known that maybe he will not seek re-election in 1984 but that he may run for the presidency then if President Ronald Reagan does not.

This news sort of slipped out when he was at the family home of his late father-in-law, Senator Everett McKinley Dirksen of Illinois; and not by accident, Mr. Baker was not available to clarify what it meant. But it probably meant a great deal.

Obviously, it does not mean that Mr. Baker intends to challenge Mr. Reagan for the Republican presidential nomination in 1984. But what it probably does mean is that, at 57, the Senate majority leader has no intention of sticking around Washington for the next six years trying to pull Mr. Reagan's chestnuts out of the fire against an opposition Democratic Party and a divided Republican Party.

Home holds no terrors for Howard Baker, who is undoubtedly the best Senate majority leader since Lyndon B. Johnson; no less ambitious, but kinder. He will support Mr. Reagan for a second term, if that is the president's desire, and go back quietly and happily to Tennessee to his private life of the law and photography. But if by chance the president decides not to seek a second term, Mr. Baker wants to be ready to make a serious campaign for the Republican presidential nomination.

He trifled with this ambition in 1980 when he ran vaguely against Mr. Reagan, but was trapped between his Senate responsibilities and his ambitions in the primary elections, and it was a disaster. "It was worse than this," he told me some time ago. "It was humiliating. If I ever go again, I'll go all the way, and very early."

If this is true, Mr. Baker is not likely to remain as majority leader until the end of his present term, which lasts until the end of 1984, but will have to resign that post this year and begin organizing to win the presidential primary elections early in 1984.

He is being very subtle about this, but he is not the only Republican who is trying to send a message to President Reagan. Senator Bob Dole of Kansas has gone public with his criticism of the president's policies. Representative Jack Kemp of New York has been complaining that Mr. Reagan is being unfaithful to his supply-side economic campaign promises. And all of them are wondering if the president will run again and who will succeed him if he does not.

In short, there is sort of a struggle

going on here within the Republican Party between the conservative moderate wings over what the president should decide about arms control, Social Security, unemployment, and so forth: neither side has the vaguest idea what, if anything, he will decide.

Accordingly, strange things are happening within this administration. For example, the members of the president's own cabinet, Council of Economic Advisors, are agreeing that he has to cut the 1983 budget and raise taxes to wipe \$200-billion deficit in the coming year. But they have been chattering him that directly.

Instead, they are arranging to fast with Mr. Baker and other public leaders on Capitol Hill tell him that he must change his policies or face stubborn opposition defeat in the Congress.

Meanwhile, the old-timers of Republican Party, like former President Gerald Ford, are arguing, if directly to the president then to friends and aides, that in the pin interests Mr. Reagan must be fairly soon, even in private, while he intends to seek re-election or else.

Otherwise, they insist, it will be possible for the Republican to mount a successful campaign. Vice President George Bush, for Baker, for Mr. Kemp, or any else; and the Democrats, though they are, will be able to campaign against the falling away and a divided Republican Party.

The odd thing about the Republicans these days is not that they are in trouble with the Democrats, who are in trouble with themselves, but that they are in trouble with themselves, and are losing their best people, Senators Baker and Dole, who are trying to hold the center of American politics together.

This is probably why Mr. Baker has decided to stand aside and let Mr. Reagan be the most moderate, skillful, amiable, eloquent and effective parliamentarian in Congress on the testimony of both parties, and therefore his threat to retire if the Senate has saddened his leagues, and his threat to run for presidency has given them hope.

Except, of course, for the Democrats. They think they can beat Reagan's economic record in 1984, but they are not sure that they beat Mr. Baker.

Mr. Baker has the gift of itself people of both parties, and this is the secret of success in the election. This is probably what Democrats have to worry about.

The New York Times.

Churchillian Echoes of Implacability

By George F. Will

WASHINGTON — Arriving propitiously this Sunday morning for seven more Sundays on American public television is a political drama. Here is a précis:

The nation is suffering a severe slump that has depressed government revenues yet strengthened the case for ameliorative social spending. A consensus across the political spectrum insists that military spending must be cut to fund compassionate programs. But one stiff-necked politician of notoriously strong convictions — years ago they caused him to change parties — objects. He is no longer young, and critics accuse him of nostalgia for a simpler age. He is a great communicator but enlightened opinion holds that his rhetorical power is a function of simplicity and anachronistic idealism.

All his weaknesses are revealed in his alarmism about the foreign power to the East. He ignores the events of this century that make that power's policies understandable in terms of its national experience — it suffered much from the World War. Proof of his shallowness, say his multiplying critics, is that he takes seriously that power's bellicose rhetoric.

He is deaf to academic, media and foreign policy elites, who explain that the totalitarian regime's rhetoric is a residue of the past, and is less important than the fact that the regime is a fact we must live with. His program for matching that power's buildup dooms the arms control dialogue that must be the source of safety since the development of the ultimate weapon, the airplane.

This is a drama about a stubborn man, Winston Churchill in the 1930s. "The World at War" Years.

Early episodes deal primarily with other matters, such as India. But

soon the paths of the lion and the jackal cross. Visiting Munich in 1932, Churchill stays at a hotel frequented by the man who came to power in Germany 50 years ago on Jan. 30.

Today Churchill is remembered, reverently, for his implacability. Then, when implacability meant spending money people did not want to spend, he was ridiculed, and exonerated as a "screamonger."

British policy in the 1930s traced a trajectory similar to that of U.S. policy since the 1960s. First it proclaimed British superiority; then it pledged to maintain "parity"; then it fell to explaining why Germany's numerical superiority did not really mean British inferiority, and why advocates of military spending were moved by ambition or vanity.

In the broadcast, Prime Minister Stanley Baldwin says of Churchill: "Talk like that scares people." And it might impede détente with Germany. Churchill's critics, who included most mainstream politicians, wanted to entrust Britain's safety to arms control talks, not because there was any record of achievement from talks, or because Hitler seemed likely to be tamed by them, but because safety through arms control was the only safety that could be had on the cheap. Deterrence costs money.

Those who wanted to trust Britain's safety to arms control first argued that Germany was not aiming for superiority. Then they argued that the very fact that Germany was spending so much suggested that British rearmament would be matched by Germany. Besides, Germany would bankrupt itself. Sound familiar?

When critics of Churchill's rearmament plans could no longer deny or suppress the facts, or impugn the motives of those who cited the facts, they said: Britain's real strength is economic. We must attend to that first. Military spending will complicate recovery, hence it must wait. So said the chancellor of the exchequer, Neville Chamberlain.

Appeasement, said Chamberlain, would free resources for "more creative uses." The message transmitted to Germany, with devastating clarity, was: We are desperate for an arms agreement because we believe we cannot afford to match your arms spending.

Martin Gilbert, Churchill's biographer, has published a book in conjunction with this series ("Winston Churchill: The Wilderness Years" from Houghton Mifflin). It is a timely study of how a democracy allowed considerations of political convenience and budgetary "necessity" to control defense policy. Churchill's doctrine was: We can afford what we need; what we cannot afford is to say we only need what is easy to provide.

Today Washington is full of persons whose political bravery extends only to ridiculing the steadfastness of the secretary of defense, Caspar Weinberger, whose duty is to decide what safety demands, and to say so. He is not permitted the luxury of pandering to wishful thinking.

To those who today say that polls prove (in words once hurled at Churchill) that there is "no mandate from the people" for more defense spending, Churchill's reply remains unanswerable: "The prime responsibility of any government for the public safety is absolute and requires no mandate."

The Washington Post.

Warsaw's 'Purification' Process Could Rival Stalinist Purges

By Zygmunt Nagorski

ASPEN, Colorado — Despite the regime's lifting of martial law, Poland is undergoing what could be called a process of "purification" — a purge of artists, intellectuals and opposition leaders that may be more dangerous and more far-reaching than anything witnessed in the Soviet bloc since the days of Stalin.

This process is intended to bring about nothing less than the transformation of Poland from a satellite to an outright colonial dependent — from a proud, rebellious nation to a powerless, horror-stricken prisoner. To prove itself and to earn acceptance by the new Soviet leadership, taken to curtail the opposition — to isolate or expel any potentially dangerous popular leaders.

What is particularly painful to many Poles is that although this process was in all probability initiated by the Soviet Union, it is being implemented by their own countrymen.

It is possible that a small fraction of these people were acting under the illusion that General Wojciech Jaruzelski's military regime had no alternative, but there are enough collaborators, secured either through fear or money or special privileges, to give the impression that the death blow is being dealt by the Poles themselves.

The "purification" process has been entrusted to the office of Deputy Prime Minister Mieczyslaw Rakowski, who for years has been regarded in the West as being representative of the liberal wing of the Communist Party. His office uses a variety of means.

In some cases, individuals deemed troublesome are simply informed that they have no future in their country. They lose their jobs, the ration cards they use to get basic staples are revoked, their families are

harassed, their children are deprived of educational opportunities. Then a magnanimous offer is made: The individual will be issued a passport provided he promises not to return.

A considerable number of university professors, writers, actors, film directors and others have already been encouraged to emigrate in this way — depriving Poland of its cultural leadership. Meanwhile, many of them never adapt to the foreign countries where they choose to live.

Another of the junta's methods is to draft people into the armed forces. A sizable number of men and women released from detention when martial law was formally ended Jan. 1 were immediately called to report to special army units. The discipline in these units is known to be unusually harsh, and more heavy work is required of them than of ordinary units. Nor do those drafted into such units have any way of knowing how long their service will be required. It is an open-ended proposition — another form of detention.

Cultural institutions, which often play a significant political role in Poland, have also been hit by the regime. The directors of two major theaters in Warsaw — the Dramatic Theater and the National Theater — have been fired, and the Dramatic Theater has been closed. Key administrators of the Warsaw National Museum have lost their jobs. Professional organizations of writers, artists, architects and others have been disbanded. The intellectual underpinning of the Solidarity movement has been eliminated: Many members are still behind bars, some accused of capital crimes against the state.

Given the intensity of Polish nationalism, the "purification" process will be neither easy nor painless. Re-

sistance is bound to continue: Solidarity lives and works underground in practically every Polish town.

But the regime is armed with many weapons. Money is one of the most widely used; terror is the most potent. And in spite of the powerful undercurrent of resistance, Poland may have little chance of escaping Czechoslovakia's fate. When a nation's cultural roots are systematically cut and its most creative members are eliminated, then it faces the mortal danger

it might cease to exist as a nation.

Two currents of thought are battling for primacy in Poland. On the one hand, there is a sense of helplessness — a feeling that Poles have been left alone with no help from outside. Yet there is also a feeling of hope; and encouragement that survives particularly among young people who more and more are dedicating their lives to change — if not today, at least tomorrow, next year, in the next generation. The two forces are bound

to meet head-on — the force of repression aiming a knife at the nation's vital organs and at the pole of will to survive and fight back.

All the odds are against Poland. But history shows that the proud nation has never known the art of mission, and it does not intend to learn it now.

The writer, formerly with the *Caribbean* and *Foreign Relations*, is now a director of the *Aspen Institute for Human Studies*. He contributed this column to *The New York Times*.

LETTERS TO THE EDITOR

Moslems in Greece

Regarding "In Greek Town Welfare of Moslems Becomes a Foreign Policy Matter" (JHT, Dec. 28):

The Moslem minority in Greece, whose rights are fully guaranteed by laws, international treaties and the Greek Constitution, is proportionately represented in the Greek parliament and the local communities.

The existence of local press (five dailies, one magazine, and television and radio broadcasts in Turkish) and of an active religious practice (205 mosques and 100 other religious institutions, two mosques and more than 400 clergymen), demonstrates that every right is respected in the growing Moslem minority of Thessalonica. Reuter's "economically backward Moslems" own the most fertile land, dominate the trade of Komotini and are in a position to bid for real estate while retaining funds to their relatives in Turkey.

Unfortunately, this is not the case of the Christian minority in Turkey which, after having been deprived of all its property and rights, has dwined

died to 6,000 people from a total of 300,000 in 1920.

PHEDON METALLINOS, Greek Embassy, Paris.

Most minorities have grievances to air, and Reuters would keep its correspondents busy for some time were it now prepared to turn its attention to the Baluchis and Pathans in Pakistan, the Sikhs and Kashmiris in India, the Hungarians in Romania, the Albanians and Croats in Yugoslavia, the Corsicans and Bretons in France, the Roman Catholics in U.S.S.R., the American Indians and so on.

Priority should be given, however, in reporting the condition of the six million Kurds in the eastern provinces of Turkey, whose cries of distress occasionally pierce the Iron Curtain of martial-law and censorship, denouncing jailings, executions, terror and cultural genocide.

The urgency of such investigation reporting is borne out by Turkey's sinister record in the treatment of 200,000 ethnic Greeks forced to emigrate in the last 60 years, not to mention the fate of the Armenians.

MICHAEL STYLIAN, Paris.

In the Back Regarding "Remember The Christmas Bombing" (JHT, Dec. 24):

Anthony Lewis had his own version of World War I to have been bed in the back.

This is not the same as having fight with one hand tied behind the back, which, according to Mr. Lewis, right-wing voices have been telling was the reason why America lost Vietnam.

B. EINHORN, Accra, Ghana.

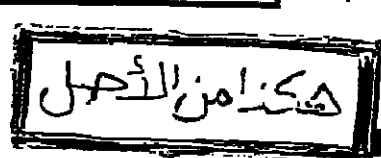
JOHN HAY WHITNEY (1904-1982), Chairman
KATHARINE GRAHAM and ARTHUR OCHS SULZBERGER, Co-Chairmen

LEE W. HUBNER, Publisher
Executive Editor: PHILIP M. FOISE
Editor: WALTER WELLS
Managing Editor: ROBERT E. MCCABE
Deputy Editor: SAMUEL A. BENT
Associate Editor: CARL GEWIRTZ

Associate Publisher: ROLAND PINSON
Director of Finance: RENE BONDI
Director of Circulation: FRANCIS DESMAISON
Director of Advertising: RICHARD H. MORGAN

International Herald Tribune, 181 Avenue Charles de Gaulle, 92200 Neuilly-sur-Seine, France. Telephone: 747-1265. Telex: 612718 (Herald), Cables: Herald Paris.

Directeur de la publication: Walter N. Thayer
Gen. Mgr. Asia: Alan Lecor, 24-34 Hennessey Rd. Hong Kong. Tel. 5-285618. Telex: 611770.
S.A. au capital de 1,200,000 F. RCS Nanterre B 732021126. Comptabilité Partielle No. 34231
U.S. subscription: \$250 yearly. Second-class postage paid at Long Island City, N.Y. 11101.
© 1982, International Herald Tribune. All rights reserved.



China May Make Profit On Its Neutral Stance In the Iran-Iraq War

By Michael Weisskopf
Washington Post Service

BEIJING — With classic oriental skill, China has fashioned a policy of opportunistic neutrality in the Iran-Iraq war as part of a larger strategy to actively compete for the first time for economic and political influence in the Gulf, according to diplomats here.

The diplomats say this policy, which involves Beijing in aggressive trading and possibly military sales to both combatants, is aimed at challenging Soviet strategic status in the region, strengthening China's claim to Third World leadership and positioning it for a lucrative share of postwar reconstruction.

One immediate benefit is China's fast-growing economic presence in the area. Last week, China and Iraq agreed to a 150-percent increase in two-way trade this year, to \$500 million. The agreement "propelled" Tehran into first place among Beijing's Middle East trading partners.

Meanwhile, China draws badly needed foreign exchange from Iraq by exporting workers. The 20,000 Chinese contract laborers building Iraqi factories and repairing oil pipelines earn most of the estimated \$2 billion that China gains annually from this human export to Gulf states.

Despite Chinese denials, there is strong belief among knowledgeable foreign analysts that China is spinning up its Gulf dealings with military supplies to the warring parties.

Since the beginning of the Gulf war in September, 1980, China has declared "strict neutrality." Calling for a quick end to the war of attrition, it argued that the conflict debilitated the economies of both sides and invited exploitation by "hegemonic" superpowers.

"China has never supplied any weapons to either party of the Iran-Iraq war, nor has China transferred any weapons to Iran or Iraq on behalf of any country," a spokesman for the Chinese Foreign Ministry said last week.

But diplomats say that behind the wall of Chinese denials emerges a different picture gleaned from Western intelligence reports and mysterious commercial transactions between Beijing and the two Gulf rivals.

Reports quoting U.S. intelligence officials said China was a major source of military supplies for Iraq, which Beijing has been courting since it began drifting out of the Soviet sphere and moving closer to Arab moderates.

Most Chinese arms are believed on Soviet models, making it easy for Iraq to integrate the Chinese hardware into its largely Soviet arsenal.

Diplomats in Beijing, while they have no estimate of volume or precise inventory of weapons, say they believe China quietly is supplying Iraq with light arms, artillery, ammunition and replacement parts.

Baghdad is believed to be paying for the arms with oil. Officially, Iraq exports only oil to China in its \$120-million trade package. Suspicions were therefore aroused among diplomats here when Beijing offered to sell large quantities of Iraqi oil to recent state visitors from Turkey.

"If you put two and two together, you've got Chinese arms for Iraq on the hush-hush," a Western diplomat said.

Diplomats believe China is balancing the ledger through covert dealings with Iran. According to Western military sources, China allows North Korean aircraft laden with arms for Iran to stop for refueling at airports in the Chinese far west.

Other military sources said China transports some of the supplies in its own aircraft.

When Iraqi officials asked the Chinese Foreign Ministry about the persistent reports, they were reminded of Beijing's neutrality.

"I'm not convinced," said a senior Iraqi diplomat.

Once again, commercial transactions.

120 Hurt in Indian Riot
NEW DELHI — Eighty prisoners and 40 guards were injured during a riot at a prison in the state of Madhya Pradesh, news reports said Wednesday.

STRICTLY OUT OF DUTY — Mayor Jacques Chirac of Paris, left, and Mayor Edward I. Koch of New York City sampled some wine from California during the Gaullist leader's visit to New York. Both mayors reported that the wine was good.

Hitler Anniversary Causes Berlin Row

By Reuters

BERLIN — Controversy has arisen in West Berlin over events marking the coming to power of Adolf Hitler 50 years ago this month.

The centerpiece is an exhibition mounted by West Berlin's cultural council, entitled "1933 — Roads to Dictatorship," showing events leading to Hitler's appointment as chancellor on Jan. 30, 1933, and the consequences.

The council's stated aim for its program of events was to show that much of the blame for Hitler's rise lay with middle-class apathy and capitalist profiteering, and to warn against a repetition.

But West Berlin's Senate, with a conservative majority, felt the events had a leftist bias and thought too much money had been allocated to fringe groups.

The Senate itself will mark the anniversary with a solemn ceremony in the Reichstag, the parliament building that was burned in 1933 and is now an exhibition center. But a long and bitter dispute took place in the city parliament over other commemorative events.

Several of the cultural council's events were refused finance, including some backed in the city government by the radical Alternative List party, such as projects by homosexual groups and exhibitions on Nazi activity in AEG and Siemens, the city's two biggest employers. Some of these will go ahead anyway.

At the entrance to the cultural council's exhibition, a picture by Gernot Bubenik, 40, a Berlin artist, depicts scenes from modern West Berlin life as if on a window, shattered to reveal dark, menacing shapes with Hitler in the middle, rising from burning buildings.

Black-and-white photographs line the opposite wall showing the troubles of the 1920s and 1930s, with the strikes, anarchy and repression that led to the Nazi rise.

Huge red banners bearing the swastika recall Nazi pomp, opposite photographs of the Nazis' concentration camp victims. Copies of Communist and Social Democratic election

leaflets from the 1930s are left on tables.

In a foreword to the program, Wilfried Bruchhauser, the cultural council's chairman, wrote: "We have created a few democratic structures, but the dangers of new destruction have in no way vanished. More than half our current population was born after 1945. Their knowledge about fascism in general and national socialism in particular is exceedingly hazy."

Heart Patient May Go Home Soon; Lung and Kidney Problems Noted
By Lawrence K. Altman
New York Times Service

SALT LAKE CITY, Utah — Dr. Barney B. Clark's condition has improved to the point where he might leave the hospital as early as three weeks from now, but with "significant lung and kidney impairment," his doctors say.

Dr. Clark is "significantly more lucid, communicating more and physically stronger," Dr. Chase N. Peterson, vice president for health sciences at the University of Utah Medical Center, said Tuesday. Dr. Clark became the world's first recipient of a permanent artificial heart on Dec. 2.

The artificial heart has been working well and there is no evidence of infection, the doctors said.

"We are very optimistic at this point," Dr. Lyle Joyce, one of Dr. Clark's physicians said, explaining that his patient had made "real progress" in the last two weeks.

The tone of Dr. Joyce's remarks was in marked contrast with that of a medical bulletin issued Thursday in which he and Dr. William C. DeVries, the head of the team, said they were concerned about Dr. Clark's slow rate of recovery.

One measure of the improved condition of the 61-year-old retired dentist is that for the last three days he has used a walker to help him bear more of his weight in taking a small but growing number of shuffling steps.

When Dr. Clark "is fully awake and active, he appears to be fully alert," Dr. Peterson said. Dr. Joyce said that Dr. Clark had been "totally lucid most of the time" in the last three days. Still, Dr. Clark has his good and bad days, they said.

The doctors said Dr. Clark was breathing more deeply than before and that he was able to clear secretions that could have led to pneumonia. They described his lung condition as chronic obstructive pulmonary disease.

"His lungs do not function well," Dr. Peterson said. "They are doing all right but they are not going to be as strong as normal lungs would be and probably never will be." But despite the serious lung impairment, Dr. Clark should be able to function well in the future, Dr. Peterson said.

The patient still has a tracheotomy tube in his windpipe that can be used when he relies on an artificial respirator. He has taken most of his nourishment through a feeding tube inserted through a nostril.

Dr. Peterson said Dr. Clark had fewer filtering cells in his kidneys than he once had and therefore had less reserve. "If the blood supply to his kidneys is not perfect, he will show some mild kidney impairment," Dr. Peterson said. "If it is, he does better."

Germans Find Opium In Iranian's Luggage
The Associated Press

DUSSELDORF — Prosecutors in Düsseldorf state are investigating Sadeq Tabatabai, an Iranian politician, for possible drug smuggling after customs men discovered three and a half pounds (1.6 kilograms) of opium in his luggage last weekend, the authorities said Wednesday.

The opium was found after Mr. Tabatabai, the brother-in-law of Ayatollah Ruhollah Khomeini's son Ahmed, arrived at Düsseldorf airport Saturday from Iran via Zurich.

Along the quay at Pittenweem, Ken Brereton, the captain of the



Adolf Hitler

leaflets from the 1930s are left on tables.

In a foreword to the program, Wilfried Bruchhauser, the cultural council's chairman, wrote: "We have created a few democratic structures, but the dangers of new destruction have in no way vanished. More than half our current population was born after 1945. Their knowledge about fascism in general and national socialism in particular is exceedingly hazy."

50% VD Rate Seen In Zimbabwe Women
Reuters

HARARE, Zimbabwe — Half of Zimbabwe's adult women and 20 percent of the total population of 7.5 million have suffered or are suffering from venereal disease and the situation is getting worse, the national news agency Zina reported Wednesday.

Dr. Mazuru Gundidza, of the University of Zimbabwe pharmacy department, was quoted as saying that the arrival of penicillin-resistant strains of disease from West Africa and Asia was making things worse.

Trade and Investment Opportunities in the ASEAN Countries
February 9, 10 and 11, 1983 in Singapore

In the midst of an international economic crisis, Indonesia, Malaysia, the Philippines, Singapore and Thailand, the five members of the Association of Southeast Asian Nations, continue to show growth rates of 5% to 7% annually.

Their rapid economic growth has led to a major increase in their imports from the United States, Japan and Europe, and ASEAN is expected to be the most rapidly growing market for the industrialized countries through the 1980's.

Abundant natural resources, an increasingly skilled and competitive labor force and political stability make the area particularly appealing to companies seeking to expand their activities internationally. Moreover, the ASEAN countries have been actively encouraging foreign investment in recent years.

The International Herald Tribune's conference on "Investment and Trade Opportunities in the ASEAN Countries" will be an unprecedented opportunity to hear and question in a single forum the government officials who are responsible for formulating the trade and investment policies of these five countries.

The delegation from each country is listed below. A spokesman from each of the three major trading partners of ASEAN — the United States, Japan and the EEC — has also been invited to participate.

INTRODUCTION TO ASEAN
• H.E. Mr. Chan Kai Yau, Secretary General of ASEAN
• Mr. Masao Fujikura, President, Asian Development Bank

REPUBLIC OF INDONESIA
• H.E. Professor J.B. Sumartono, Minister of State, Vice Chairman of Bappenas (National Development Planning Agency)
• H.E. Professor I.R. Soedarsono Hadisapetoro, Minister of Agriculture
• I.R. Subaroyo, Chairman of BKPM (Investment Co-ordinating Board)
• H.E. Mr. Sumitro Djojohadikusumo, Consultant, former Minister of Finance, of Trade and of Research and Technology

FEDERATION OF MALAYSIA
• H.E. Tengku Datu' Ahmad Rithauddeen Bin Tengku Ismail, Minister of Trade and Industry
• H.E. Tan Sri Dato' Ishak Bin Pateh Akbar, Chairman of MID.A (Malaysian Industrial Development Authority)

REPUBLIC OF SINGAPORE
• H.E. Dr. Tony Tan Keng Yam, Minister of Trade and Industry
• Mr. Hwang Peng Yuen, Chairman of the Economic Development Board
• An invitation has been extended to H.E. Mr. Lee Kuan Yew, Prime Minister of the Republic of Singapore

REPUBLIC OF THE PHILIPPINES
• H.E. Mr. Cesar Virata, Prime Minister
• Mr. Jose P. Lavista, Jr., Deputy Minister of Trade and Industry
• Third speaker to be announced

KINGDOM OF THAILAND
• H.E. Major General Chatichai Choonhavan, Minister of Industry
• Mr. Sanoh Unakul, Secretary General of the National Economic and Social Development Board
• Mr. Chanchai Leechavorn, Secretary General of the Board of Investment
• Dr. Thongchai Hongladaromp, Governor of Petroleum Authority of Thailand
• Mr. Sivavong Changkasin, Director General, Department of Mineral Resources, Ministry of Industry

TRADE WITH ASEAN
The three guest luncheon speakers will represent major trading partners of the ASEAN nations: the United States, Japan and the European Community.
• Mr. William E. Brock, United States Trade Representative
• Mr. Naohiro Araya, Senior Advisor on International Economic Relations to the Ministry of International Trade and Industry, Japan
• Viscount Etienne Davignon, Vice-President, Commission of the European Communities

CONFERENCE REGISTRATION FORM
Return to: International Herald Tribune, Conference Office, 181 Ave. Charles-de-Gaulle, 92521 Neuilly Cedex, France. 13-1-83

Surname _____
First name _____
Position _____
Company _____
Address _____
City/Country _____
Telephone _____
Telex _____
Company activity _____

Please enroll the following participant in the conference to be held February 9-11, 1983 in Singapore.
The participation fee is US \$1,500 for each participant. This includes lunches, cocktails, a reception and conference documentation. Fees are payable in advance of the conference and will be returned in full for any cancellation that is postponed on or before January 2. A refundation fee of US \$400 will be incurred after this date. Cancellations received by the organizers less than 5 days before the conference will be charged the full fee.

☐ Please invoice ☐ Check enclosed
For further information please contact the International Herald Tribune in Paris. Tel.: (33-1) 747.12.65, Tx.: 612832. Or Far East Consult Pte Ltd. in Singapore. Tel.: (65) 733 85 69.

Conference location: Mandarin Hotel. Information on preferential rooms rates will be sent to you on receipt of this form.

AUTHORS WANTED BY N.Y. PUBLISHER
Leading subsidy book publisher seeks manuscripts of all types: fiction, non-fiction, poetry, juvenile, scholarly and religious works, etc. New authors welcome. Send for free booklet (13 pages) Vantage Press, 516 W. 34th St., New York, N.Y. 10001 U.S.A.

Rewards of Fishing Fade for Scots

To Many, the North Sea Is Less Hostile Than the EC

By Jon Nordheimer
New York Times Service

PITTENWEEM, Scotland — On the bad days, when the North Sea suddenly boils up under a gale and throws a mountain of foaming water at a fishing boat, and a catch of whiting and haddock freezes to the pitching deck before it can be moved into a hold, the men of Pittenweem return early to port and brood about the future.

It was never an easy life for those from the harbor villages along the north shore of the Firth of Forth who work the fishing boats. Diesel engines, depth sounders and thermal underwear made things more efficient and warmer, but the eternal problem of facing a hostile sea to hunt fish still tested the men in a way that machine operators in the Glasgow mills would never experience.

The danger and the pride remain. But the rewards for Scottish fishermen seem to be slipping away. Herring has long been protected in the North Sea because of overfishing, and the furor with Iceland over cod fishing a decade ago closed the richest waters for cod.

Then there appeared the more efficient foreign fleets operated not only by North Europeans but also by Russians, Americans, Japanese and Koreans.

A Scottish captain working out of Pittenweem can push his work boat to the Dogger Banks, off the Northumberland and Yorkshire coasts, and run into Bulgarian freezer ships loading up on mackerel and the purse nets of large Polish trawlers swallowing whole shoals of sprat in one gulp.

To the Scottish fisherman, working a relatively small 30-foot (15-meter) trawler, the competition and the fishing concessions granted to Britain's trading partners within the country joined the European Community in 1972 seemed as ruinous as the cost of diesel fuel today.

A new EC fishing policy was to go into effect Jan. 1. It was hoped that it would overcome many British objections and end nearly a decade of contention over fishing rights in the North Sea.

Denmark, however, refused to sign the agreement, and the other nine nations were left to enforce their own provisions, with Britain determined to keep the boats of uninvited members outside its 12-mile territorial limit.

Into this setting sailed Kent Kirk, a wealthy Dane who owns two large commercial fishing vessels and is a Conservative member of the European Parliament. With a retinue of 30 reporters accompanying him, Mr. Kirk said he was challenging the British ban — defying his own government's wishes in the process — by fishing for sprat inside the limit.

Along the quay at Pittenweem, Ken Brereton, the captain of the

trawler White Heather, reflected the general view on the Scottish coast by saying that Mr. Kirk was "doing it for his own political future back in Denmark."

"Denmark had no concessions inside British waters before Jan. 1 and they have none now," said Robert Allen of the Scottish Fishermen's Federation. "Kirk wants to open an entire new hall game. He takes the view that as of Jan. 1 all bets are off. We take the view that after 10 years of participation in the EC there should be strong legislation to protect British fishing."

"Ninety percent of the Scottish inshore catch goes for human consumption," said Andrew Wyse, captain of the trawler Emulate. "The Danes' whole economy is based on industrial fishing, turning the catch into fish meal to feed to livestock and to fatten their pigs for better bacon."

But in one way, Mr. Wyse strikes a tone much like that of Mr. Kirk. In the old days, he said, when there were no restrictions other than a man's ability and the size of his boat, Scottish trawler fleets ranged far across the North Atlantic from Norway to Iceland to put cod onto British tables and into the hot frying oil of fish-and-chips shops.

The restrictions on cod fishing put the large trawler fleets out of business, and most of Scottish fishing is now in the hands of about 1,700 fiercely independent skipper-operators.

"Even with the cod taken away from us," he said, "things were going pretty well until three or four years ago when — wham! — all the costs went up."

Moreover, Mr. Wyse said, the dockside price of fish was stuck at 1979 levels despite the rising cost of everything else. "Other European fleets," he said, "have more efficient boats and use all kinds of dodges to push their fish in Britain and knock the cream off the top of our market with our own fish."

"The common fisherman, in my view," said Mr. Brereton of the White Heather, "would've been much better off if we'd never seen the Common Market."

European influence has always been felt in Pittenweem, a port with trading activities dating from the 12th century, and where Celtic history is scrawled in ancient caves along the coast where the round hills shoulder down to the water.

For the fishermen today, there is no path except the one leading out the mouth of the wide firth and into the open sea.

"The danger now is that more and more captains are feeling the pinch and taking their boats out in weather when they should stay in port," Mr. Wyse said. "They are taking chances now that they never took before."

And the North Sea is a very unforgiving body of water. Last week two Scottish fishermen were lost in a fierce sea.

For the moment, however, their greater fear is the day when, for reasons having nothing to do with the elements, the fleet from Pittenweem will stay in port and the men and their sons will have to look to Glasgow or beyond for their future.

Sihanouk Says He's on Leave Until Late May
The Associated Press

BANGKOK — Prince Norodom Sihanouk, leader of the resistance coalition against the Vietnamese troops in Cambodia, told a Bangkok newspaper he was on leave until late May because of health problems.

The decision, reported Wednesday by the Nation Review, raised doubts about whether Prince Sihanouk, 60, would attend a summit meeting of nonaligned nations in New Delhi in March.

"I would like you to excuse me for not being able to reply to your questions regarding politics because actually I am on leave for health reasons," he cabled the Nation Review from Phnom Penh, North Korea, where he frequently lives.

"I have serious problems of health relating to diabetes, prostate gland and the digestive system," the Nation Review reported. "I will be in Korea until April. In May, I will go to France and will be there for a month in a hospital in the south of France."

Prince Sihanouk had said earlier that he intended to step down for an unspecified period to consider the future, according to press reports. He said his duties as president of the coalition had been assumed by Vice President Khieu Samphan of the Khmer Rouge and Prime Minister Son Sann of the Khmer People's National Liberation Front.

Fewer Jews Left Russia in 1982

By Reuters

GENEVA — Migration of Jews and Armenians from the Soviet Union dropped sharply last year, while slightly more Vietnamese were allowed to leave Vietnam than in 1981, according to the Intergovernmental Committee for Migration.

About 2,700 Soviet Jews left for the West last year, compared with 9,460 in 1981, while the number of Armenians and other family reunification cases dropped to 400 from 2,450 in 1981, the committee said Tuesday.

The number of Vietnamese allowed to emigrate legally, as opposed to illegal departures by the so-called "boat people," rose to 3,770 from 3,530 in 1981, it said.

The organization also dealt with 15,335 Polish refugees, including about 640 former martial law detainees and their families, three times as many as in 1981.

Soviet Ex-President Podgorny Dies

(Continued from Page 1)

man, not given to clowning in the Khrushchev manner, so his travels generally attracted little attention beyond obvious political implications.

An exception was his tour of Africa in 1977, which was watched nervously by Western nations because of the Soviet military involvement in Angola, Ethiopia and other troubled areas.

In a fall from power still surrounded by mystery, Mr. Podgorny was removed from the Politburo in May 1977, soon after his return to Moscow, and then was removed from his post as chief of state a month later. There was speculation at the time that policy differences over Africa had erupted in the Kremlin.

In the custom of Soviet officialdom, Mr. Podgorny cloaked his personal life and his family from public view. No information was published on his family but he was known to be married and to have two daughters and a son.

Tikhon Kiselyov
MOSCOW (Reuters) — Tikhon Kiselyov, 65, a candidate member of the Soviet Union's ruling Politburo, died Tuesday after a prolonged illness. Tass reported Wednesday.

Mr. Kiselyov took over as party chief in the republic of Belorussia in October 1980. He became one of the eight candidate members of the Politburo soon afterward.

Other deaths:
Cecil R. Moore, 88, a retired major general of the U.S. Army who was chief engineer of European

theater of operations in World War II, Saturday in Arundel, Maine.

Elliott V. Bell, 80, former editor and publisher of Business Week magazine, Tuesday in Pawling, New York.

Mary Louise Carney, 100, who was decorated for valor after serving as an ambulance driver in France, Belgium and Germany in World War I, Monday in Leavenworth, Kansas.

Arthur C. Bryan, 80, former vice chairman of Union Carbide Middle Africa and Southern Africa, Sunday in Mount Kisco, New York.

Ben Bena, 98, a Russian-born American still-life and landscape painter who was among the first U.S. artists to experiment with cubism, Friday in Connecticut.

Gale Page, 64, a leading actress in American films in the 1930s and 1940s, Saturday in Santa Monica, California.

Mitterrand Asked To Aid Dissident
PARIS — Avital Shecharansky, the wife of the imprisoned Soviet dissident Anatoly Shecharansky, said Wednesday she hoped President Francois Mitterrand of France would ask the Soviet authorities to free her husband quickly because she feared "it might be too late very soon."

Mrs. Shecharansky said on French television that no one had seen her husband or had a letter from him since January of last year. Asked whether she feared for his life, Mrs. Shecharansky said: "I am very frightened. His mother, his brother, the whole family are afraid that something has already happened or that something could happen in the next few days. I hope President Mitterrand can act quickly."

Mr. Shecharansky, sentenced to 13 years' hard labor in 1978 on charges of spying for the United States, has been on hunger strike for three and a half months. Mrs. Shecharansky said his mother, Ida P. Milgrom, and his brother, Leonid, had met with the prison governor and learned he was being force fed only every three days.



STRICTLY OUT OF DUTY — Mayor Jacques Chirac of Paris, left, and Mayor Edward I. Koch of New York City sampled some wine from California during the Gaullist leader's visit to New York. Both mayors reported that the wine was good.

SCIENCE

Dramatic Improvement of TV Image Expected

By Wayne Biddle
New York Times Service

NEW YORK — With electronics getting smarter and friendlier every day, whether in the guise of personal computers or bionic organs, the friendly old television set has stayed essentially unchanged in the United States since the advent of color broadcasting in the 1950s. But this long period of stasis may end during the '80s. The change will be not so much a matter of program content — a social problem beyond technological considerations — as an evolutionary leap in equipment.

The most dramatic developments in the offing, foreshadowed by somewhat improved reception already available in Europe, will bring movie-quality images to the home television screen. The technological changes remain in the experimental stage. But most experts believe that enough progress has now been made so that, within the decade, television pictures will be transmitted for reception in homes, schools and businesses as refined as those shown now from commercial 35-millimeter movie film. And it will be possible to project such pictures — in large size, clearly focused and with what the industry calls "high definition" — on an ordinary living-room, office or classroom wall.

For the most part, television engineers have learned how to make the necessary new equipment. The problems have been the cost and the industry's inability to agree on general technical standards for high-definition television broadcasting. The technology requires a much more information-packed signal than in current broadcasting, and the television industry will have to move deftly if it is to obtain rights to the last available space in the spectrum of broadcast bands for this "larger" signal.

Will it be worth the trouble? To a quiz-show watcher, perhaps not. But anyone who has seen "2001: A Space Odyssey" on a movie screen and then on a 12-inch portable knows the impact of scale, its ability to induce a kind of awe and greatly enhance enjoyment.

Since 1941 in the United States, a standard television picture has been created by 525 horizontally scanned lines displayed at 30 frames a second. In 1967, European countries, which were late in adopting their standard, were able to take advantage of technical development to adopt a somewhat higher level, 625 lines. Like a movie, the television set presents a sequence of still shots shown rapidly enough to trick the eye into perceiving motion. But unlike a movie, television creates the image in a series of thin horizontal slices, using a beam of electrons that



sweeps across the phosphor-coated picture tube. The accuracy of the resulting image is determined by the number of scanning lines.

Last year, the Sony Corp. demonstrated a 1,125-line system developed for NHK, the Japanese equivalent of the British Broadcasting Corp. Besides more than doubling the U.S. resolution standard, Sony changed what is known as the aspect ratio of the picture. This is the ratio of screen width to height, which for television is currently standardized at 4 to 3 — approximately the same as for motion-picture frames before the development of wide-screen movies. For the NHK high-definition system, Sony used an aspect ratio of 5 to 3, which broadens the viewing area to achieve a more modern cinematic effect.

One estimate places the retail price of a high-definition receiver at 20 to 30 percent more than a conventional set with the same size screen. But in addition to consumer economics, a technical — and highly political — barrier stands in the way of high-definition broadcasting.

When a television signal is transmitted from a broadcast station, it occupies a certain portion of the electromagnetic frequency spectrum. To accommodate many signals with minimum interference, the Federal Communications Commission has assigned for each channel a slot 6 megahertz — 6 million cycles a second — wide. Within

this space, all the information necessary for a color picture with sound must be electronically encoded. But because a high-definition signal carries so much more information, it requires a channel about five times wider than this standard. And because broadcasting slots are a valuable commodity, anything that uses so much space is hotly contested.

Cable systems that will offer more than 100 regular channels would have no difficulty setting aside 10 or 15 of these for two or three high-definition programs. But direct high-definition broadcasting from satellites will have to wait until at least 1984, when satellites with sufficient capacity are in orbit. Most industry spokesmen believe business and institutional usage of high-definition programming is much closer than widespread residential acceptance, which could take a decade.

There is some hope, too, for access to the 12 gigahertz band that will be the first piece of the spectrum opened for broadcast services

since 1952 (and probably the last in this century). Twelve gigahertz — 12 billion cycles a second — is in a range called "superhigh" frequency, above even the radar frequencies used in microwave ovens (2.45 gigahertz).

Last November the Federal Communications Commission accepted a proposal from CBS that part of this band be used for high-definition television, but national standards must still be developed. The U.S. Senate recently ratified a treaty that allocates frequencies from 12.3 to 12.7 gigahertz for direct broadcast service. But the matter of high-definition usage within this slot will have to wait for another conference in Geneva next summer.

With images equal in quality to 35mm film, projection television sets that provide wall-size pictures should become much more attractive for home use. They are not new — black and white units were available more than 30 years ago. But they were as hefty as refrigerators and much uglier. Moreover,

they could not compete with the rising quality and falling cost of regular sets.

The problem of projection television is to bring lots of electronics and optics into a living-room-size space without making the package look like the Incredible Hulk in the corner. Until 1973, when the Advant Corp. introduced its first Videobeam model, the task had proved too difficult for consumer markets.

A regular color television receiver has a picture tube painted with red, green and blue phosphors. Three beams of electrons excite these phosphors simultaneously to create a superimposed, full-color image. But the Videobeam innovation was to use three separate tubes — one for each primary color — that contained optical mirrors for projection.

The major stumbling block for manufacturers is still retail price, however. At \$3,000 and up, good projection sets are far beyond the budget of most viewers. There is the technical impediment, too, of image quality being no better than image source. With most U.S. households still receiving television signals through rabbit ears or roof antennas from local transmitters, all the glitches so annoying in a regular television picture become giant flaws on a big screen. This is precisely why cable-fed — or, eventually, satellite broadcast — high-definition programming may unlock the next treasure chest in home entertainment.

Indian Rock 'Calendars'

United Press International

BOSTON — Prehistoric Indians left a legacy of solar observatories in the Arizona desert — a series of precise rock carvings that chart the movement of the sun.

Dr. Robert Preston, an astronomer at the Jet Propulsion Laboratory in Pasadena, California, and his wife, Ann, said they have studied 19 carvings — some nearly 3,300 years old — and found that all marked the summer and winter solstices and the equinoxes.

The Prestons, who presented their findings at a meeting of the American Astronomical Society, said they compiled precise compass measurements at all 19 sites during 18 months of research.

In many cases, a dagger of sunlight runs precisely on the edge of a single carved circle at both winter and summer solstices, or a shadow bisects a spiral at dawn on the summer solstice, Dr. Preston said.

"Every society tries to put order in their universe. We do it with science and this was their form of order."

The summer and winter solstices are the longest and shortest days of the year. The equinoxes mark the days at the beginning of spring and autumn when the day and night are of equal length.

There are 18 observatories built by the Anasazi Indians and one by the Hohokam.

Thousands of carvings — called petroglyphs — are scattered throughout the Southwest, but archaeologists have invested little time studying the carvings because they are difficult to date and interpret, Dr. Preston said. He estimated the carvings, found over a 200-mile area, were made between A.D. 700 and 1300.

In 1979, an Anasazi Indian petroglyph atop Fajada Butte in New Mexico was found to mark the solar calendar. Before the Prestons' research, scientists considered the site unique.

"What we have found almost uniformly is that the function of petroglyphs was to serve as a yearly calendar," Dr. Preston said.

"They had to very carefully monitor these rock surfaces many times a year before they could start carving. Obviously it was not an idle thing they did when they noticed interesting things happening on a rock. It was important to their culture, and widespread in their culture."

The carved images are primarily circles and spirals, with some human and lizard figures, Preston said.

The Prestons said there is evidence that similar carvings exist in California and they are studying a cave at Salton Sea, near Indio.



Petroglyph "calendar" at Hohokam Indian site.

Hostility and Hearts

By Robert Locke

The Associated Press

TUCSON, Arizona — People quick to anger may be quicker to die, says a Duke University scientist who believes hostility can harm the heart as much as smoking or high blood pressure.

Several studies now "suggest that an awful lot of premature mortality may be associated with hostility," Dr. Redford B. Williams Jr. said Tuesday at a seminar for science writers sponsored by the American Heart Association.

Hostility and anger, he said, may be the dangerous key component of the heart attack-prone Type A personality — people who also are characterized as being highly ambitious and impatient.

Type A personalities are about twice as likely to die of heart disease as Type B people, who are more relaxed and willing to take life as it comes, he said.

"Type A is now generally regarded as a [heart disease] risk factor of about the same magnitude as cholesterol, hypertension and cigarette smoking," he added.

Half the U.S. population is considered Type A, Dr. Williams said, far too many to subject to preventive medical or psychological care.

To narrow that group, he said, "we have to find out what it is in the Type A person that is really responsible for the increased risk."

The research involved a measurement of hostility included in a widely used personality profile, the

Minnesota Multiphasic Personality Inventory.

A Duke University of North Carolina study of 255 physicians took the test as medical students years ago found a death rate 6 percent among those with host scores in the lower 50 percent, Williams said.

Those who scored higher had a death rate of almost 15 percent over 25 years from all causes, he said.

A seven-year study of patients at Duke University Medical Center found those with high hostility scores had more severe coronary artery disease than low scorers, Williams said.

These relationships, he said, independent of other risk factors.

Dr. Williams said it was difficult to define just what the hostility scale is measuring. He said his definition includes such things as basic distrust of other people, glib reactions to minor irritants, a tendency to release anger in so display of emotion.

Dr. Williams reported in October the results of research found Type A men, when under stress, had higher levels than Type B's of several hormones implicated in heart disease.

"Clearly," he said, "much more research work is needed to determine whether these clues are right ones and can be used to help identify better men than we now have" — to prevent heart disease.

TWO TRIBS FOR THE PRICE OF ONE



Please circle below the time period and reduced subscription price selected. (Rates valid through March 31, 1983)

COUNTRY	1 year	6 months	3 months
Austria	A. Sch.	3,050	1,525
Belgium	B. Fr.	6,000	3,000
Denmark	D. Kr.	1,400	700
Finland	F. Mk.	990	495
France	F. Fr.	800	400
Germany	D. M.	360	180
Great Britain	£	62	31
Greece	Dr.	8,000	4,000
Ireland	Ir. £	90	45
Italy	Lira	165,000	82,500
Luxembourg	L. Fr.	6,000	3,000
Netherlands	Fl.	406	203
Norway	N. Kr.	1,120	560
Portugal	Esc.	8,660	4,330
Spain	Ptas.	14,200	7,100
Sweden	S. Kr.	990	495
Switzerland	S. Fr.	320	160
Rest of Europe, North Africa and			
former French Africa, U.S.A.	\$	256	128
French Polynesia, Middle East, S.	\$	264	132
Rest of Africa, Canada, Latin			
America, Gulf States and Asia	\$	352	176

To: Subscription Manager, International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France. Telephone: 747.12.65. Telex: 612832.

☐ Yes, I would like to accept your bargain offer. Please send me the International Herald Tribune for the time period and at the reduced price circled on this coupon. 13-1-83

My name _____
Address _____
City _____
Job/Profession _____
Nationality _____
Company activity _____

IMPORTANT: Payment must be enclosed with this form to validate your subscription. Please make checks payable to the International Herald Tribune. Do not send cash. Pre-forma invoices are available upon request.

هكمان الأهل

Log Check

Despite Efforts Investors' Fear

NYSE Index[illegible]

Tables include the nationwide prices up to the closing on Wall Street.

[illegible]

(Continued)

هكذا من الأهل

BUSINESS BRIEFS

GMAC Overseas Finance Offers
A \$200 Million Eurobond Issue

PARIS (IHT) — Two new Eurobond issues were launched Wednesday, adding to the flood of more than \$1 billion of issues announced Tuesday.

GMAC Overseas Finance Corp. is raising \$200 million through a seven-year issue bearing a coupon of 10 1/2 percent and priced at a discount of 99 to yield investors 10 1/2 percent. The notes are callable for five years.

The Bank of Scotland, through its Scotland International Finance subsidiary, is raising \$50 million through a partly paid issue with 20 percent of the purchase price to be paid on Feb. 1 and the remainder on Nov. 1. The notes, which mature in 7 1/2 years, bear a coupon of 10 1/2 percent.

Chemical Bank is offering \$450 million of nominally valued zero coupon notes. (The amount was reported incorrectly Wednesday.) The issue comprises 19 segments of \$15 million nominal amount each for paper with a life of one to 19 years and a final segment of \$165 million nominal amount for 20-year bonds.

U.S. Thrift Announces Purchase

LOS ANGELES (NYT) — Financial Corp. of America has announced that it had agreed in principle to acquire First Charter Financial Corp., parent of California's third-largest savings and loan association, for an estimated \$700 million.

The combined cash-and-stock transaction, announced Tuesday, would create the second-largest thrift unit in the United States, after Home Savings of America, also in California. The merged institution would have about \$15 billion in assets and 130 branches in the state.

Renault, VW Sign Gearbox Accord

PARIS (Reuters) — Renault and Volkswagen have signed an eight-year agreement to produce automatic gearboxes beginning in 1985, the French automaker announced Wednesday.

One thousand four-speed automatic gearboxes will be produced per day at a Volkswagen plant in Kassel, West Germany, while a Renault subsidiary, Société des Transmissions Automatiques, will make 600 a day.

Top Woolworth Officer Resigns

NEW YORK (Reuters) — Richard L. Anderson has resigned as director, president and chief operating officer of F.W. Woolworth Co., the company announced Wednesday. He will take a position as one of two chief operating officers at Melville Corp.

Mr. Anderson will be succeeded at Woolworth by Harold E. Sells, who served most recently as the company's senior vice president for international and property development. Mr. Anderson and Robert C. Kuhn will become chief operating officers at Melville, the retailing group said in a statement.

U.S. Firms Get Nippon Contracts

NEW YORK (Reuters) — Nippon Telegraph and Telephone Public Corp. of Japan has selected three U.S. companies to supply equipment for Japan's telecommunications market, as part of a program to open Nippon's supply market to foreign firms, the company said Wednesday.

Paradyne Corp. was selected to supply Nippon with modems, Plantronics Inc. will provide prototype lightweight headsets for field tests, and AMP Inc. was chosen to provide prototype CCP cable connectors for field testing, the company said.

Company Notes

Siemens has won a contract for 220 million Deutsche marks (\$93.3 million) to expand and modernize Oman's telephone network over two years, the West German company announced Wednesday in Munich.

Sandoz, a Swiss pharmaceutical firm, has agreed to purchase Sodyco, a dye-producing division of Martin Marietta, the U.S. company announced Wednesday.

Goodyear
Sticking
With TiresBy Leslie Wayne
New York Times Service

AKRON, Ohio — Mention Goodyear, and many people think of the blimp. What makes the company stand out these days, however, is not its 60-year-old symbol, but its success. While the rest of the U.S. tire industry has been hurt by the slump in car sales and by stiff foreign competition, Goodyear has been riding as high as its symbol.

"We're the No. 1 tire and rubber company and we expect to remain that way," said Robert E. Mercer, 59, who took over earlier this month as the chief executive of Goodyear Tire & Rubber Co.

But Mr. Mercer is facing competition. While rival domestic producers — B.F. Goodrich, Uniroyal and Firestone — have backed away from the low-growth tire business, foreign competitors such as France's Michelin and Japan's Bridgestone have moved into the U.S. market.

"Bridgestone and Michelin seem to be more committed to making tires than our friends on the south side of town," said Mr. Mercer. "I think Goodyear stands alone in declaring it is in that business. And, when I look at Bridgestone and Michelin, I see a similar commitment."

Mr. Mercer said the competition does not discourage him. "I hope the competition is tougher than in the past," he said. "This business is like golf. You play better with a fast foursome than with Sunday drivers."

Mr. Mercer, a Navy veteran, Yale University graduate and father of five, was named president in 1978 and chief operating officer in 1980, after a 35-year career that he began as a Goodyear salesman.

Mr. Mercer's elevation to Goodyear's top position is not expected to bring about major changes. As president and chief operating officer, he had worked closely with his predecessor, Charles J. Pilliod Jr., who spent 42 years at Goodyear.

Yet in style, Mr. Mercer and his predecessor are quite different. Mr. Pilliod ran a highly centralized operation, preferring to absorb responsibility. By contrast, Mr. Mercer is expected to give top executives more power.

"Mercer is someone who will be easier to get along with," said an analyst, who asked not to be



Robert Mercer: Taking on Bridgestone and Michelin.

named. "He's more willing to delegate responsibility. Yet I don't expect dramatic changes. People in that company have been there forever. It's like General Motors — the changing of the guard isn't all that meaningful."

In an interview in his office, Mr. Mercer said: "There will be no hard right turn on the rudder. Mr. Pilliod and I have been working together for about a decade and we see eye-to-eye on where the corporation should be headed. The organization is not going to change in the foreseeable future."

Goodyear, which in 1981 earned a record \$260 million on sales of \$9.2 billion, is expected to at least equal that amount in 1982, while rival domestic producers are expected to report losses or, at best, break even.

It is an international giant, with 138,000 employees working at 53 plants in the United States and 27 plants in 27 foreign countries. About 80 percent of its sales come from tires, far higher than domestic competitors.

Its foreign exposure is a possible area of vulnerability. Goodyear, which derives 47 percent of sales overseas, is the sole U.S. tire maker with a strong foreign presence. But these markets have been plagued by weak demand, heavy competition and excess capacity.

But Mr. Mercer said that Goodyear's best growth prospects are in the Third World. "Southeast Asia, for instance, looks particularly promising. When they have growth at 4 percent, they think they're in a recession," he said.

In the 1970s, Goodyear decided to concentrate on tire making, committed more money to research and development, and built and modernized plants. As a result, the company has become both the market leader and the low-cost producer.

But now, with tire growth esti-

mated at only 2 percent a year and foreign competitors gearing up, the 1980s present a set of new issues for Mr. Mercer.

Even with this stiffened competition, Mr. Mercer said Goodyear will not succumb to the temptation of cutting prices to maintain market share. "Cutting prices doesn't get the job done," he said. "We don't see it as an effective strategy, but as a last-resort thing."

He said Goodyear will meet its new rivals with the same strategy used on the old — an emphasis on quality and innovation. For instance, Mr. Mercer said Goodyear has developed a tire that will continue to run when punctured. When tested, the flat tire runs so well that a driver does not notice the difference. Goodyear has not yet been able to devise a way to warn the driver that the tire is damaged.

One of the big questions facing the company is whether to maintain the current strategy of heavy investment in tires or to begin to diversify.

"We're auto-related and we'd like to move into areas that are not so auto-related," said Mr. Mercer. "We'd probably like to get into a service business, for instance, insurance or financial services. But diversification is not a top priority program. It depends on an opportunity that develops."

Analysts are divided over that strategy. Harvey E. Heinbach, a vice president at Merrill Lynch & Co., said that "diversification would make sense." But Mr. Heinbach cautioned, "I'd like to see it slowly and after the company has sufficient liquidity. They shouldn't mortgage the company to get into non-tire areas."

But Saul Ludwig of Roulston & Co. in Cleveland said: "They should resist the temptation to diversify. The fact that the tire industry is slow-growth doesn't mean it will be slow-growth for Goodyear. Industry leaders in mature businesses who have stuck to their business have had a good performance record."

Some years ago, when Japan's economic growth was faster, corporate data-processing departments faced few budget constraints, especially because computerization was a national priority. Also, a peculiarity of Japanese corporate culture tended to discriminate against packaged software: in a nation where mergers are rare, where companies are regarded as sovereign entities, corporations typically want their own software, tailor-made.

Here, too, attitudes are changing. William H. Totten is president of K.K. Ashitoto, a distributor of software packages in Tokyo. In 1982, Ashitoto revenue totaled \$5.3 million, or nearly 10 times the level in 1979.

"We've seen explosive growth in the last few years in the Japanese demand for software packages," Mr. Totten said.

Now, about 98 percent of Ashitoto's business is selling American packages to Japanese users. Yet, based on the pace of development in Japan, Mr. Totten says that in three to five years his company will get a healthy chunk of its business from exports of Japanese packages. By 1990, he predicts half his business will be Japanese exports.

For many reasons, it may be harder for Japan to excel in software development than in some of the industries in which it has become a world leader. Nonetheless, it appears that, once again, here comes Japan.

"It's just wishful thinking to say that Japan cannot catch up in software," Mr. Totten said. "That's what a lot of people were saying about the semiconductor industry a few years ago and the auto industry a decade ago."

2 Latin Nations Get Debt Accord

Compiled by Our Staff From Dispatches

PARIS — Costa Rica and Ecuador have reached agreement with creditors to reschedule payment of portions of their foreign debt, officials announced Wednesday.

The French Finance Ministry said that officials from 10 major lending nations had agreed Tuesday to reschedule part of Costa Rica's debt, which is estimated to total \$4 billion.

The officials from Austria, Britain, France, Italy, Japan, Mexico, Spain, Sweden, United States and West Germany met in closed session Monday and Tuesday to review economic progress in Costa Rica. The meeting was held by the Club of Paris, an informal organization of major lending countries.

After expressing support for fi-

nanial reforms, the creditors agreed to reschedule payments that had been due between July 1982 and the end of 1983. Under the agreement, payments will be extended over nine years, with a four-year grace period during which only interest payments must be made.

Officials declined to disclose the amount that was rescheduled. But banking sources indicated that the agreement involved about \$100 million.

On Tuesday in Quito, the government said banks have agreed to reschedule 26 percent of its debt of \$4.68 billion. It said Ecuadoran officials and a group of 200 banks had reached the agreement in New York.

In a statement, the government

said the banks had agreed to a rescheduling over seven years, with a two-year grace period. It added that the agreement applied to the debt falling due between November 1982 and December 1983.

COMPANY
REPORT

Revenue and profit, in millions, are in local currencies unless otherwise indicated

Bank of New York			
4th Qu.	1982	1981	
Oper. Net	20.7	19.1	
Per Share	2.64	2.76	
Net Income	19.5	19.1	
Per Share	2.68	2.76	
Year	1982	1981	
Oper. Net	74.3	58.0	
Per Share	10.23	8.48	

This announcement appears as a matter of record only.



EUROPEAN ECONOMIC COMMUNITY

Dfls 75,000,000 due 1988/1992
Private Placement

arranged and placed by

PIERSON, HELDRING & PIERSON N.V.

This announcement appears as a matter of record only.



EUROPEAN ECONOMIC COMMUNITY

Dfls 75,000,000 due 1993/1997
Private Placement

arranged and placed by

PIERSON, HELDRING & PIERSON N.V.

Japan Aims to Catch Up With U.S. in Software

(Continued from Page 7)

and the rest from the participating companies.

But the project coordinates and directs development efforts of some of Japan's major corporations — NEC, Hitachi, Fujitsu, Matsushita, Toshiba, Mitsubishi Electric, Oki and Sharp.

The Japanese software concerns — ranging from the two-man shops scattered around Tokyo to the subsidiaries of the large companies — do not see VisiCorp, Microsoft or any of the other major American software companies as their competition now, however. In trying to develop the industry, they are considering the entire American industry as the force to be reckoned with.

Thus, the trade ministry has a program that funnels \$10.6 million in research and development funds, mainly to some of Japan's nearly 2,000 independent software houses.

Because Japanese companies have until recently used mainly tailor-made programs, Japan is far behind the United States in developing multipurpose packages and is now scrambling to come up with the versatile, less-costly kind of software.

In an attempt to pay capital for fledgling software ventures from commercial banks, the ministry is guaranteeing loans to small companies. The Japanese banking system operates on a collateral-lending system in which loans are made based primarily on the assets and property of a company, rather than on current or anticipated profits. This system tends to discriminate against small companies and startups, and Japan has only a meager venture-capital market.

"Without guarantees by the government, the new ventures could not find funding," said Hideji Sugiyama, deputy director of the ministry's electronics policy division.

Starting in 1978, the government began giving the industry a 40 percent tax deferral on software revenues for the first four years of a program's life. But more striking than any government initiatives have been moves by the private sector. In this respect, corporate and government efforts in the software field are typical of the way industrial policy works here.

The government is striving, after close consultations with business leaders, to adopt policies that will accelerate market forces, easing the way of the private sector to follow the direction the industry itself wants to go.

To create a working atmosphere more conducive to software development, big corporations, such as Hitachi, are spinning off subsidiaries, trying to make them less bureaucratic, hierarchical organizations. Some engineers, dissatisfied with the tethers of working in large corporations, have quit to start their own companies. Graduates of top universities are becoming entrepreneurs rather than taking safe positions with blue-chip concerns. With a shortage of programmers, women are increasingly being

trained and employed as software engineers and programmers.

Women have been totally ignored in the Japanese labor market, said one computer executive. "They are a hidden asset that we ought to use in the software business because we need them."

Toshinori Watanabe is one of the new breed of Japanese entrepreneurs the industry is spawning. Mr. Watanabe, 36, is president of Dyna, which he founded five years ago after leaving another small software company. Dyna now has 13 programmers, including three women who work from their homes while rearing children.

The company's annual revenue of \$400,000 comes mainly from projects assigned on a contract basis from large companies such as Fujitsu, Toshiba and Hitachi. Robotics software is one of its strengths. Mr. Watanabe's strategy is straightforward: "My policy is to take all the orders I can get, large or small."

The software business has shown that the lure of entrepreneurial opportunity can sometimes outweigh the pull of loyalty to one's company in Japan.

The most celebrated example is Cosmo 80. Founded in 1981 by Yutaka Usui, an executive at Ishikawajima-Harima Heavy Industries Co., and two of his colleagues, the new venture brought a stream of software experts out of the diversified shipbuilder and machinery producer. Half a year after Cosmo's founding, more than 80 people had left Ishikawajima-Harima for the new concern.

How far Japan lags behind the United States in software is difficult to measure, precisely because the development and structure of the field has been so different in the two nations. Some observers say the gap is as much as 10 years, while others think it is far less.

Already, Japan has done well in the software applications it has concentrated on. Its systems for electronic banking and airline reservations are said to be as good as any in the world. In addition, Japan's strength in robotics and factory automation is testimony to its

ability in applied software. A major success has been development of software for video games.

In Japan the unbundling, or separation, of hardware and software sales began only about three years ago, well after it occurred in the United States. Much of Japan's software is, in effect, built into the hardware by the computer companies, and most of it is tailor-made.

Thus, to date, software has been far less a separate business in Japan than has been the case in the United States. The Japan Software Industry Association estimates that spending for software in Japan is less than one-fifth that in the United States, although the association focuses only on that segment of the industry that its members supply, mainframe computer users.

It is in packaged software that Japan trails furthest, both in manpower and product development. According to a 1982 study for the Agency of Industrial Science and Technology, Japan has a maximum of 30,000 packaged-software engineers, compared with 200,000 in the United States. In addition, Japanese companies are just beginning to make the transition to using software packages, and most of those it uses are imported from the United States.

Because it is not custom-made for each user, packaged software is cheaper. For instance, to tailor-make and install a company's software for its payroll system may take more than 200 man-months and cost more than \$400,000. To buy and install a similar package would cost only \$100,000 and take about three man-months.

As one analyst put it, the difference between tailor-making software versus buying a package is like the difference between a company's making its own office furni-

ture and buying it from an outside supplier.

Some years ago, when Japan's economic growth was faster, corporate data-processing departments faced few budget constraints, especially because computerization was a national priority. Also, a peculiarity of Japanese corporate culture tended to discriminate against packaged software: in a nation where mergers are rare, where companies are regarded as sovereign entities, corporations typically want their own software, tailor-made.

Here, too, attitudes are changing. William H. Totten is president of K.K. Ashitoto, a distributor of software packages in Tokyo. In 1982, Ashitoto revenue totaled \$5.3 million, or nearly 10 times the level in 1979.

"We've seen explosive growth in the last few years in the Japanese demand for software packages," Mr. Totten said.

Now, about 98 percent of Ashitoto's business is selling American packages to Japanese users. Yet, based on the pace of development in Japan, Mr. Totten says that in three to five years his company will get a healthy chunk of its business from exports of Japanese packages. By 1990, he predicts half his business will be Japanese exports.

For many reasons, it may be harder for Japan to excel in software development than in some of the industries in which it has become a world leader. Nonetheless, it appears that, once again, here comes Japan.

"It's just wishful thinking to say that Japan cannot catch up in software," Mr. Totten said. "That's what a lot of people were saying about the semiconductor industry a few years ago and the auto industry a decade ago."

Eurocurrency Interest Rates Jan. 12

	Dollar	D-Mark	Swiss Franc	French Franc	British Pound	ECU	SDR
1M	5 1/2%	5 1/2%	5 1/2%	5 1/2%	11 1/2%	11 1/2%	11 1/2%
3M	5 3/4%	5 3/4%	5 3/4%	5 3/4%	11 3/4%	11 3/4%	11 3/4%
6M	5 7/8%	5 7/8%	5 7/8%	5 7/8%	11 7/8%	11 7/8%	11 7/8%
1Y	6%	6%	6%	6%	12%	12%	12%

LLOYDS EUROFINANCE N.V.

Copies of the Audited Accounts of Lloyds Eurofinance N.V. for the year ended 30th September, 1982, are now available from:

THE SECRETARY
LLOYDS BANK INTERNATIONAL LIMITED
40-66 QUEEN VICTORIA STREET, LONDON EC4P 4EL

Weekly net asset value



Tokyo Pacific Holdings N.V.

on January 10, 1983: U.S. \$89.24.

Listed on the Amsterdam Stock Exchange

Information: Pierson, Heldring & Pierson N.V.,
Herengracht 214, 1016 BS Amsterdam.



Two aspects of Belgium: "The Peasant's Dance" by Flemish Master Bruegel the Elder; a 1,000 Megawatt turboalternator by the industrial group ACEC.

You, Belgium and the BBL

Whatever your commercial aspirations in Europe, we firmly believe that you, Belgium and Banque Bruxelles Lambert form an ideal combination.

Belgium you already know

Crossroads of Europe, Belgium borders on four key Continental countries, with a fifth just across the Channel. Brussels, of course, is the seat of the European Common Market. Antwerp just 45 km to the north, is one of the largest, most efficient seaports in the world.

A long cultural tradition - the Flemish Masters, for example, - a long industrial tradition - from basic manufacturing to

"state-of-the-art" components for the Space Shuttle. Combined, they have produced perhaps the most highly skilled, highly productive workforce in Europe. Only natural in a country where export accounts for some 60% of the GNP.

But why Banque Bruxelles Lambert?

Because BBL covers the country with nearly 1000 branches, and the world with a dense network of branches, affiliates, correspondants and representative offices.

Because of our long-standing tradition of helping dynamic companies establish

themselves in Belgium. And our imaginative solutions to individual problems.

Because we have data processing and communications systems which assure quick handling of complex international transactions.

Import, export, manufacturing, financing, marketing. Whatever your need, Banque Bruxelles Lambert is ideally situated to help. Those who have put us to the test already know this very well.

BBL is the ABC bank in Belgium.
Head Office: 24 Ave. Marx - 1060 Brussels
Phone 32 2 512.21.11 - Telex 26 392 BBL B

Banque Bruxelles Lambert BBL Bank Brussel Lambert
Banking, a matter of people

Tables include the nationwide prices up to the closing on Wall Street

[illegible]

The real price of copper stands at around its lowest level for fifty years, but the beginning of a major "bull" market could be imminent. Although demand remains depressed, a host of factors could underpin a sharp price rise. These include:

- a. The possibility of disruption in the US copper industry during 1983 - labour contract renewal year.
- b. A sophisticated producer support operation.
- c. Mounting tension in the Gulf between Iran and Iraq.
- d. Further major purchases by China.
- e. Spiralling debt problems hitting major Third World producers.

For a free copy of our publication "Prospects for Copper," write to:

Rudolf Wolff & Co. Ltd.
Established 1866
10/15 Mincing Lane, London EC3N 3DB
Telephone: 01-626 8765 Telex: London 885034

Refugee Gets a Home

The rock maestro Frank Zappa got a warm welcome of sorts when his hotel caught fire during a visit to London to rehearse with the London Symphony Orchestra. "I was outside in the garden in my shirt while they figured out where the fire was," he said after the incident interrupted his breakfast Tuesday. "They finally figured the restaurant was out of danger and let us all back in again." A hotel fire Tuesday week, wrote Moore's

SUBSCRIBE

to the
**INTERNATIONAL
HERALD
TRIBUNE
AND SAVE**

As a new subscriber to the International Herald Tribune, you can save up to 46% of the worldwide price, depending on your country of residence.

For details on this special introductory offer, write to:

INT Subscriptions Department,
181, Avenue Charles-de-Gaulle,
92080 Neuilly-Seine, France
or Tel: Paris 747-12-65 ext. 305

IN ASIA AND PACIFIC

contact our local distributor or:

International Herald Tribune
1005 Tat Sang Commercial Building
240, Cantonment Road,
HONG KONG
Tel: HK 3-266726

PARIS & SUBURBS

RANELAGH
NEW FURNISHINGS
HIGH CLASS
FACING SOUTH
Open new facing garden
FROM STUDIO TO 2 ROOMS
4 bedrooms
Parking, View Monday, Wednesday,
1pm-6pm, 85 rue Raymond
Géney, CE 172 78 78

Neuilly, Maurice Barres
Sumptuous apartment overlooking
Rue de Boulogne.
Reception, 4 bedrooms, 2 parlors.
COTAGE 562 26 27.

RAPHAEL PENTHOUSE
Modern building, superb 300 sqm.
duplex. Terrace, 2 toilet rooms, 4
parkings. Justified low price.
FRANK ARTHUR 562 01 69.

FRENCH PROVINCES

COTE D'AZUR
1 month or more
Tel: 359 42 32

**REAL ESTATE
TO RENT/SHARE**

BOLLAND
DUTCH HOUSEKEEPER B.V.
Deluxe rental, Volendam, 175,
Amsterdam. 020-721234 or 72222.

ITALY
What in Rome.
PALAZZO AL VELABRO
Luxury apartment houses with furnished
Rome, available for 1 week and more
Phone: 074025 679350.
White Via del Velabro 16,
00186 Rome.

**REAL ESTATE
WANTED/EXCHANGE**

AMERICAN FAMILY WANTS to ex-
change home in Connecticut for
apartment in Paris for 1 year from
mid-1983. Write Dan Southard, 101
Hogback Woods Rd., Reading CI,
06156 USA.

FURNISHED FLAT NEXT FLY. Two
bedroom flat wanted near Latin
Quarter, Paris. Super. Gironcourt,
1 Place Pomévre, 75005 Paris.

EMPLOYMENT

**EXECUTIVE
POSITIONS AVAILABLE**

PROJECT MANAGER
WITH TECHNICAL BACKGROUND
required for large scale communication
infrastructure project in the Middle
East. Only experienced people with
planning and supervisory ability of a
technical nature should apply.
Knowledge of languages is a distinct
advantage and the strictest confidence
must be maintained. Submit full C.V. to:

RANDY FUCHS & COMPANY

**GENERAL POSITIONS
WANTED**

SUDANESE MALE, BA in English /
French 2 years experience in person-
nel and welfare projects. Has experi-
ence in Sudan. Would like to work
on Paris or abroad. All levels. 10, 10
d'Arenas, 25000 Beacons, France

**GENERAL POSITIONS
AVAILABLE**

MODEL / PERSONAL ASSISTANT /
Companion. English speaking. Excel-
lent salary. USA 1700 895-0104.

**TEACHING POSITIONS
AVAILABLE**

SWISS FORMATION provides the
service for top French executives who
use English in all business and indus-
try. If you have a corporate back-
ground or experience in computer,
petroleum, civil, aeronautical or me-
chanical engineering and are interest-
ed in re-training for an ESL teaching
career in a dynamic, fast-growing
company, call 776 27 62 Paris for op-
portunities.

SWISS FORMATION requires expe-
rienced TFL qualified teachers for
all levels of English. Paris 776 27 62
for appointments.

EMPLOYMENT

**SECRETARIAL
POSITIONS AVAILABLE**

MINERVE SERVS for AMERICAN
FIRMS in PARIS.
English, Belgian, Dutch, German
speakers. Knowledge of French re-
quired. English shorthand, bilingual
advantage. Write or phone 138 Avenue
Victor Hugo, 75116 Paris, France. Tel.
727 61 67.

Don't miss
**INTERNATIONAL
SECRETARIAL POSITIONS
TUESDAYS**
in the INT Classified Section.

SECRETARIES AVAILABLE

LOOKING FOR A SECRETARY? G.K.
International, Tel: 225 12 94 Paris.

**DOMESTIC
POSITIONS WANTED**

ENGLISH NANNIES & Mothers' Help for
all new expatriates. Call Mrs. J. Parole,
Brynghar, Uxbridge, Tel. 682 606.

AUTOMOBILES

TURBO DIESEL 300 SD MERCEDES,
79 model, full USA specifications,
including exhaust and business view
of highway, automatic, 10000 km
low miles, metallic green, 47000
CHF. Write or phone 138 Avenue
Victor Hugo, 75116 Paris, France.
(0432) 212158 U.K.

AUTO SHIPPING

TRANSCAR, Europe's largest for cars,
also baggage & household effects
worldwide. Contact London Ltd, 14
Dukes Warehouse, Three Coll St., Tel.
01-515 6884. Geneva 1219, 3738
Ave du Lignon, Tel: 96 55 11, Marché
2, Landenberg Str., 191a, Tel: 57 27
77, Brussels, 100, 165 Rue de Midt,
Tel: 513.

TRANSCAR 20 rue Le Suver, 75175
Paris. Tel: 506 03 10, Cannes 93 95 33
Avenue 31 00 03 10, Nantes 37 43 41.

AUTOS TAX FREE

**FOR YOUR
COUNTRY**

MODELS MERCEZ B125 V
Class cars, full options, immediate
delivery. Contact 015 545 65, 65, CH
[Switzerland]. Dealers only.

EUROPT TAX FREE CARS

AUTOS TAX FREE

**ROLLS-ROYCE
BRITISH MOTORS
WRIGHT BROTHERS**

MONTE-CARLO
Tel: 923 20 64
France 0694795 KLM
SILVER CITY - SILVER SHIP
SILVER CITY - SILVER SHIP
CANALIQUE - PHANTOM V
ALSO No
FOR SERVICE IN EUROPE

PARIS: 562 05 87

FR / Interpreter & Tourism Guide
Excellent presentation

HOLIDAYS & TRAVEL

CHARTER A VILLE VACANCE in a
charter from corner of largest hotel
Europe. American pastimes
available. Travel 1st, 2nd, 3rd class
gov. bonded. Visit Villes de
Thermes, 2nd, 3rd, 4th, 5th, 6th,
7th, 8th, 9th, 10th, 11th, 12th, 13th,
14th, 15th, 16th, 17th, 18th, 19th,
20th, 21st, 22nd, 23rd, 24th, 25th,
26th, 27th, 28th, 29th, 30th, 31st,
32nd, 33rd, 34th, 35th, 36th, 37th,
38th, 39th, 40th, 41st, 42nd, 43rd,
44th, 45th, 46th, 47th, 48th, 49th,
50th, 51st, 52nd, 53rd, 54th, 55th,
56th, 57th, 58th, 59th, 60th, 61st,
62nd, 63rd, 64th, 65th, 66th, 67th,
68th, 69th, 70th, 71st, 72nd, 73rd,
74th, 75th, 76th, 77th, 78th, 79th,
80th, 81st, 82nd, 83rd, 84th, 85th,
86th, 87th, 88th, 89th, 90th, 91st,
92nd, 93rd, 94th, 95th, 96th, 97th,
98th, 99th, 100th, 101st, 102nd,
103rd, 104th, 105th, 106th, 107th,
108th, 109th, 110th, 111th, 112th,
113th, 114th, 115th, 116th, 117th,
118th, 119th, 120th, 121st, 122nd,
123rd, 124th, 125th, 126th, 127th,
128th, 129th, 130th, 131st, 132nd,
133rd, 134th, 135th, 136th, 137th,
138th, 139th, 140th, 141st, 142nd,
143rd, 144th, 145th, 146th, 147th,
148th, 149th, 150th, 151st, 152nd,
153rd, 154th, 155th, 156th, 157th,
158th, 159th, 160th, 161st, 162nd,
163rd, 164th, 165th, 166th, 167th,
168th, 169th, 170th, 171st, 172nd,
173rd, 174th, 175th, 176th, 177th,
178th, 179th, 180th, 181st, 182nd,
183rd, 184th, 185th, 186th, 187th,
188th, 189th, 190th, 191st, 192nd,
193rd, 194th, 195th, 196th, 197th,
198th, 199th, 200th, 201st, 202nd,
203rd, 204th, 205th, 206th, 207th,
208th, 209th, 210th, 211st, 212nd,
213th, 214th, 215th, 216th, 217th,
218th, 219th, 220th, 221st, 222nd,
223rd, 224th, 225th, 226th, 227th,
228th, 229th, 230th, 231st, 232nd,
233rd, 234th, 235th, 236th, 237th,
238th, 239th, 240th, 241st, 242nd,
243rd, 244th, 245th, 246th, 247th,
248th, 249th, 250th, 251st, 252nd,

[illegible]